

LODGE HILL TRUST

England & Wales · Charity number 1071041

Details

Other names	LODGE HILL TRUST LIMITED
Status	Registered
Legal form	Charitable company
Company number	03590104
Registered	1998-08-17
Register	View on the Charity Commission register

Contact

Address	Lodge Hill Residential Centre London Road Watersfield Pulborough RH20 1LZ
Phone	01798831411
Email	enquiries@lodgehill.org.uk
Website	www.lodgehill.org.uk

Activities

Objects: (1)THE ADVANCEMENT OF EDUCATION OF YOUNG PEOPLE (PRIMARILY THOSE RESIDENT IN THE COUNTY OF WEST SUSSEX) BY HELPING THEM SO TO DEVELOP THEIR MENTAL PHYSICAL AND SPIRITUAL CAPACITIES THAT THEY MAY GROW TO FULL MATURITY AS INDIVIDUALS AND MEMBERS OF SOCIETY AND THAT THEIR CONDITIONS OF LIFE MAY BE IMPROVED AND (2) THE PROVISIONS OF FACILITIES FOR THE FURTHER EDUCATION OF ADULTS (PRIMARILY THOSE RESIDENT IN THE COUNTY OF WEST SUSSEX).

Activities: Lodge Hill is a short stay residential / activity centre. The aim and purpose of Lodge Hill is to ensure that young people from a variety of backgrounds and with a range of needs enjoy the educational benefits and physical challenges available at the Centre.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** Education/training, Disability, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** WEST SUSSEX
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£593,982	£1,385,588	£1,943,968	43
2023-12-31	£1,407,931	£801,708	£2,729,194	45
2022-12-31	£712,290	£754,579	£2,115,862	38
2021-12-31	£641,668	£628,482	£2,166,422	33
2020-12-31	£509,032	£600,093	£2,146,090	27

Trustees

Name	Role	Appointed
Annamarie Tapponnier		2025-01-28
Anthony James William Lawman		2025-07-01
David John Adams		2025-01-28
Louise Mary Gisbey		2025-01-28
MATTHEW BARRY WYKES		2016-10-18

LODGE HILL TRUST

England & Wales - Charity number 1071041

Accounts

Registered number: 03590104
Charity number: 1071041

Lodge Hill Trust
(A company limited by guarantee)

Unaudited

Trustees' report and financial statements

For the year ended 31 December 2024

Lodge Hill Trust
(A company limited by guarantee)

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Lodge Hill Trust
(A company limited by guarantee)

Reference and administrative details of the company, its Trustees and advisers
For the year ended 31 December 2024

Trustees	Mr Matthew Wykes, DipPFS, Chairman Mr Guy Nelson, MA (Ed); NPQH Mr Richard Whittaker Ms Penny Barnes Mr Jack Marriott Mr Raymond Dawe Mr David Adams (appointed 28 January 2025) Mrs Louise Gisbey (appointed 28 January 2025) Mrs Annamarie Taponnier (appointed 28 January 2025)
Company registered number	03590104
Charity registered number	1071041
Registered office	Lodge Hill Watersfield Pulborough West Sussex RH20 1LZ
President	Col. Sir Brian Barttelot, Bt; OBE; DL
Accountants	Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Mailing Kent ME19 4JQ
Key Management Personnel	Katie Collet, BSc (Hons), Chief Executive Officer (appointed 03 October 2024), Finance and Operations Manager (resigned 03 October 2024) Lisa May BSc (Hons); Dip HSW, Chief Executive Officer (resigned 03 October 2024) Claire Sumner, Catering and Housekeeping Manager Darren Worsfold, Activities Manager

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2024

The Trustees present their annual report together with the financial statements of the company for the 1 January 2024 to 31 December 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objectives and aims

The aim and purpose of the Trust is to ensure that the young people and others of West Sussex and beyond enjoy the educational benefits available at the Centre.

The objects of the Trust set this out as:

- 1) The advancement of the education of young people, primarily those resident in the county of West Sussex, by helping them to develop their mental and physical capabilities that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved.
- 2) The provisions of facilities for the further education of adults, primarily those resident in the county of West Sussex.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2024

Objectives and activities (continued)

b. Charitable activities

Under the Charities Act 2011, the trustees are required to report on how the Trust has carried out its aims for the public benefit.

The Trust's objects are set out in the Memorandum of Association and include particularly the advancement of the education of young people and the provision of the facilities for the further education of adults.

The Charity Commission has set out 2 key principles of public benefit, being that there must be identifiable benefits which are related to the Trust's aims and that the benefit must be for the public or a section of the public.

A) Identifiable benefits related to the objects of the Trust include the following:

1. Provision of Facilities

The 30-acre site at Lodge Hill includes a camp site, residential accommodation, outdoor activities and meeting and conference facilities.

2. Giving an education

The Trust's employees include instructors who are trained in the use of all facilities at the site enabling all the users to be educated in their use. The instructors are not only able to teach users how to achieve personal targets but also, very importantly, how to achieve those targets as a part of a group or team. The Trust achieved accreditation with "Learning Outside the Classroom".

3. Preserving the environment

The Trust's 30 acre site is mainly woodland which is maintained by the Trust's employees for the benefit of all the users generally but also allowing, particularly, school groups, to fulfil educational requirements arising from the national curriculum.

B) The benefit for the public can be illustrated as follows:

1. In the year ended 31st December 2024, there were approx. 15,500 users (mainly children and young people) who visited Lodge Hill.

2. Many of these users were young people that took part in activities organised by the outdoor instructors during the period.

The Trust has made it a particular priority to ensure that the centre's facilities are available for disabled users by developing and improving access around the site. This year we have improved access to the high level activities such as High Zip Line, Climbing and Abseiling with the addition of a disability sling and the required training of the instructors.

The use of consistent feedback from both providers and service users ensures that the Trust is able to measure the success of the adaptations and additions being made. This feedback is also used to develop and explore future projects.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2024

Achievements and performance

a. Chairman's Report

2024 brought with it a few challenges. Mainly positive ones. The land sale finally completed in December 2023. So whilst we had a quieter period Jan – March, we wanted to make the most of it and complete as many refurbishment projects with the resulting funds.

To date we have updated the 2 lodges in the grounds, cleared the campsite in order that it is re-born as a more rugged camping experience. We replaced windows and bathrooms on the 1st floor, installed a new fire detection system and electrical works to comply with necessary legislation. CCTV and a new computer hardware were installed. The Bradbury suite had a new floor fitted. Roof repairs were carried out and boilers replaced. We refurbished the Archery and Sno-Tubing activities, bought new go-karts and improved the kitchens and bathrooms of our live-in staff. Needless to say we are ready for another busy year and the team are really motivated to provide a great service and experience to our young people.

There has been a change in CEO and I am delighted that Katie Collet is at the helm. She has settled the team, everyone is focused, have autonomy within their roles and the atmosphere within the team is really positive.

We conducted a full HR audit and, along with the H&S audit that commenced 3 years ago, Lodge Hill is in good operational shape to move forward.

Financially you will see in the accounts that a slight distortion due to unbudgeted legal costs as an example. However, the charity has sufficient reserves to meet this unexpected and unnecessary expenditure.

Our core business remains schools in a day visit or residential capacity. We have a strong relationship with West Sussex County Council and are one of their preferred providers of activities for family groups with a disabled child or young person. The ChallengeU programme for young people that have offended, are at risk of offending or have disengaged with society or education is becoming an increasing influence on our overall offering at Lodge Hill and the need increases with much younger young people requiring intervention and support than we had anticipated. We have great conference facilities to host meetings, corporate events and presentations that add additional income streams to support our core work of supporting children and young people to thrive.

2025 is about delivering what we are renowned for, delivering a consistent service to our young people regardless of ability. As we draw breath from the refurbishment and replacement projects throughout the site, we are more ready and prepared than we have ever been. Our focus will also be on developing new income streams by opening up new relationships with local businesses and potential bookers. Increasing awareness in the local communities of our charitable status.

Development plan

In developing our business plan, we recognised that the challenge for Lodge Hill was to become a viable and accessible, high-class provider of choice for users from West Sussex and beyond requiring outdoor activities, residential trips and day meetings/conferences, thus enabling the Trust to remain financially sustainable. We reaffirmed the Trust's mission to target a wide range of groups and individuals, including those with physical disabilities, mental health or learning difficulties and young offenders. The business plan identified that in order to achieve this challenge the Trust would need to:

1. Maintain financial sustainability whilst ensuring Lodge Hill provides best value for money for young people
2. Maintain a professional and committed staff team
3. Maximise the use of facilities and establish on-going communications with key players and supporters
4. Maintain the centre and its facilities to a high standard and plan appropriate improvements
5. Establish joint initiatives with recognised partners and targeted funding.

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Trustees' report (continued)
For the year ended 31 December 2024

Achievements and performance (continued)

b. Key performance indicators

The principal indicators of performance are financial reporting of current results compared to the budget numbers and previous years. The budget is formally adopted at a meeting of Trustees at the start of the year. Financial reports are prepared by the Accounts Manager and considered in detail by the Finance Committee four times per year. They are presented and discussed by the full board of trustees at each of their meetings. Client satisfaction and statistics of repeat bookings are also considered as performance indicators.

c. Events since the balance sheet date

Bookings are buoyant for 2025 and beyond. We have taken bookings from new customers for residential and activity days who would previously have visited other centers further afield. As other centres close, bookings continue to come our way.

d. Investment policy

The Trust has unrestricted authority to invest its funds in the furtherance of its charitable objectives. A proportion of retained reserves is held in the form of listed investments. It is the Trust's policy to have these managed by an independent investment manager under a discretionary mandate requiring a mix of equity and fixed income investments. Although the Trust has not adopted a specific ethical policy, they have instructed the investment manager that they should refrain from investing in companies that undertake activities that are incompatible with the aims and objectives of Lodge Hill. The trustees review the performance of the investment manager periodically and consider the returns achieved to date to have been satisfactory.

Financial review

a. Financial review

Bookings were extremely buoyant throughout 2024 for schools and we delivered a higher level of SEND provision in partnership with WSCC. Our Alternative Provision sessions have been in great demand and POM Trust funding has enabled us to increase delivery. Costs have remained largely stable but we have identified some savings in operational costs.

The receipt of the funds from the sale of the parcel of land in December means that extensive refurbishment of the main house and grounds will be enabled during 2024. This payment has had a significant effect on the income for the year and the net cash inflow has been designated for specific purposes as detailed in the statement of funds note.

Principle risks and measures are reviewed annually by the Trustees. Any factors likely to affect future financial performance are discussed and included in forecasts which are reviewed monthly at Finance Committee Meetings.

b. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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Trustees' report (continued)
For the year ended 31 December 2024

c. Reserves policy

The Trustees review the level of reserves regularly. Reserves are a key element of financial stability and allow the Trust to cope with the fluctuating nature and timing of cash flows. Reserves allow the Trust to deal with unexpected expenditure or changes in income and give time for appropriate action to be taken. Following the receipt of the land sale funds, the Trustees plan to be able to cover 3-6 months running costs of the centre.

The total funds at the year-end were £1,943,968 (2023: £2,729,194). Of this total, £2,061,426 (2023: £2,611,080) is designated as follows:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The Continuity reserve is the balance of the current asset investments' value.

Restricted funds at the year-end were £65,468 (2023: £65,510).

The financial year had extraordinary one-off costs which were monitored closely and managed by the Board of Trustees as part of their duties. The planned refurbishments reduced the ability to generate income from some charity sources, but these have been complete for the next financial year activities and budgeting.

During the year, the Trustees/finance sub-committee continued to meet regularly and during those meetings have agreed the charity budget for the next financial year.

As part of the budget setting process, the Trustees continue to regularly review the charity free reserves position and are working towards a positive general fund level of free reserves.

Structure, governance and management

a. Constitution

Lodge Hill Trust is registered as a charitable company limited by guarantee under registered number 03590104, and a registered charity under the charity number 1071041. It was incorporated on 30th June 1998 in the United Kingdom. The charity is governed by its Memorandum of Association.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2024

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

New trustees are recruited primarily by utilising the knowledge of the existing trustees who have a wide network of contacts in the voluntary and business communities in West Sussex. Potential trustees visit Lodge Hill and meet with the chairman and at least one other trustee. They are provided with background papers and receive a detailed briefing. If both sides feel that they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following the meeting a decision is made on whether to invite the individual to become a trustee.

When seeking new trustees Lodge Hill looks for:-

- Compatibility with the charity's values, aims and way of working.
- Availability to attend meetings, support activities, work on sub-committees, interact with staff and to encourage supporters.
- An enduring enthusiasm for the charity's objectives.
- An ability to establish priorities and to make logical decisions.
- They must be able to contribute effectively, to have listening skills and must have a willingness to share responsibilities.
- While specialist expertise is not a pre-requisite, new trustees should enrich the diversity of the board.
- Trustees must possess independence of mind and have the skill to challenge constructively, and be capable of and have experience of strategic thinking at board level. All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activity of Lodge Hill.

c. Organisational structure and decision-making policies

The trustees meet as a board on at least four occasions during the year. Closer involvement in the charity's activities is maintained by appropriate committees of trustees, staff, users and professional advisers. Each committee reports to the board and is chaired by a trustee. Committees that were in place in 2024 were:

Finance
Health and Safety
PR

The day-to-day activities have been directed by the Chief Executive, Katie Collet, who works closely with the chair of the Trustees. She is supported by her management team.

Wider network

Lodge Hill works with a wide range of youth and community organisations but does not have formal links with any wider network.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2024

Structure, governance and management (continued)

d. Pay policy for senior management

The Finance Committee together with the Chair meet in December to consider salaries for key staff to be applied in the following financial year. The Committee consider proposals from the Chief Executive which take into account prevailing rates of pay in the local area together with any change in responsibilities. The Committee also consider the remuneration of the Chief Executive.

e. Related party relationships

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

The Trust owns the issued share capital of Lodge Hill Services Limited. This company is dormant and has not traded during the current financial year.

f. Financial risk management

The Trustees consider the risks faced by the Trust at a special meeting at the year end and also consider measures to reduce their likelihood and impact.

Sudden loss of income is the principle concern either from changes in the market which could reduce the capacity of the trust's clients to fund their visits or from damage to the facilities. The former risk is countered by sustained, targeted marketing and efforts to increase the breadth of its user groups. Risks to the facility are countered by careful management and an awareness of risks in the day to day operations.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2024

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they 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 income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by: :



Mr Matthew Wykes, DipPFS

Date: 25-06-25

Lodge Hill Trust
(A company limited by guarantee)

Independent examiner's report
For the year ended 31 December 2024

Independent examiner's report to the Trustees of Lodge Hill Trust ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 December 2024.

Responsibilities and basis of report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company'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 ICAEW, which is one of the listed bodies.

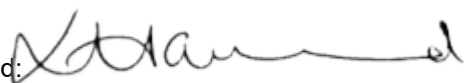
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:



Dated: 26 June 2025

Lucy Hammond

BSc FCA

Kreston Reeves LLP
Chartered Accountants
9 Donnington Park, 85 Birdham Road, Chichester, PO20 7AJ

Lodge Hill Trust

(A company limited by guarantee)

**Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2024**

	Note	Unrestricted funds		Restricted funds 2024 £	Total Funds 2024 £	Total funds 2023 £
		General funds 2024 £	Designated funds 2024 £			
Income from:						
Donations and legacies	4	-	-	13,695	13,695	20,721
Charitable activities	5	533,167	-	-	533,167	583,729
Other trading activities	6	28,001	-	-	28,001	27,807
Investments	7	19,119	-	-	19,119	8,180
Other income	8	-	-	-	-	767,494
Total income		580,287	-	13,695	593,982	1,407,931
Expenditure on:						
Charitable activities	9	802,180	569,671	13,737	1,385,588	801,708
Total expenditure		802,180	569,671	13,737	1,385,588	801,708
Net gains on investments		-	6,380	-	6,380	7,109
Net (expenditure)/income		(221,893)	(563,291)	(42)	(785,226)	613,332
Transfers between funds		(13,637)	13,637	-	-	-
Net movement in funds		(235,530)	(549,654)	(42)	(785,226)	613,332
Reconciliation of funds:						
Total funds brought forward		52,604	2,611,080	65,510	2,729,194	2,115,862
Net movement in funds		(235,530)	(549,654)	(42)	(785,226)	613,332
Total funds carried forward		(182,926)	2,061,426	65,468	1,943,968	2,729,194

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 15 to 36 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)
Registered number: 03590104

Balance sheet
As at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	1,883,780	1,914,826
Investments	15	86,619	-
		1,970,399	1,914,826
Current assets			
Stocks	16	8,193	6,292
Debtors	17	36,292	17,712
Investments	18	-	80,239
Cash at bank and in hand		254,567	1,157,281
		299,052	1,261,524
Creditors: amounts falling due within one year	19	(111,043)	(223,016)
Net current assets		188,009	1,038,508
Total assets less current liabilities		2,158,408	2,953,334
Creditors: amounts falling due after more than one year	20	(214,440)	(224,140)
Total net assets		1,943,968	2,729,194
Charity funds			
Restricted funds	21	65,468	65,510
Unrestricted funds			
Designated funds	21	2,061,426	2,611,080
General funds	21	(182,926)	52,604
Total unrestricted funds	21	1,878,500	2,663,684
Total funds		1,943,968	2,729,194

Lodge Hill Trust

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Registered number: 03590104

Balance sheet (continued)

As at 31 December 2024

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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



Mr Matthew Wykes, DipPFS

Date: 25-06-2025

The notes on pages 15 to 36 form part of these financial statements.

Lodge Hill Trust
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Statement of cash flows
For the year ended 31 December 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	(908,196)	(113,474)
Cash flows from investing activities		
Dividends, interests and rents from investments	19,119	8,180
Proceeds from the sale of tangible fixed assets	-	1,033,744
Net cash provided by investing activities	19,119	1,041,924
Cash flows from financing activities		
Repayments of borrowing	(13,637)	(9,870)
Net cash used in financing activities	(13,637)	(9,870)
Change in cash and cash equivalents in the year	(902,714)	918,580
Cash and cash equivalents at the beginning of the year	1,157,281	238,701
Cash and cash equivalents at the end of the year	254,567	1,157,281

The notes on pages 15 to 36 form part of these financial statements

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2024

1. General information

Lodge Hill Trust is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of its registered office is:

Lodge Hill
Watersfield
Pulborough
West Sussex
RH20 1LZ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lodge Hill Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held 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.

Notes to the financial statements
For the year ended 31 December 2024

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Notes to the financial statements
For the year ended 31 December 2024

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following bases.

Depreciation is provided on the following bases:

Freehold property	- 2 - 5% straight line
Kitchen, campsite and outdoor equipment	- 10 - 25% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 25% straight line

2.7 Current asset investments

Current asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements
For the year ended 31 December 2024

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The company 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.

2.13 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.15 Pensions

In the past the company operated a defined benefits pension scheme for former employees. The scheme is a multi employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the company accounts of this scheme are accounted for as if it was a defined contribution scheme. The amount charged to the statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the financial statements
For the year ended 31 December 2024

2. Accounting policies (continued)

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
For the year ended 31 December 2024

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Multi-employer defined benefit pension scheme:

Certain former employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgement of the trustees, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see pension note for further details.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2024

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations - Individuals	-	-	-	1,376
Donations - Trusts	-	13,500	13,500	19,320
Donations - Others	-	195	195	25
	-	13,695	13,695	20,721
Total 2023	1,371	19,350	20,721	

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Residential and other charges	309,679	309,679	329,820
Day conferences	21,749	21,749	25,488
Activities	201,739	201,739	221,652
Campsite hire	-	-	6,769
	533,167	533,167	583,729
Total 2023	583,729	583,729	

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Notes to the financial statements
For the year ended 31 December 2024

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Phone mast income	15,201	15,201	15,201
Rental income	8,000	8,000	7,806
Staff accommodation income	4,800	4,800	4,800
	<u>28,001</u>	<u>28,001</u>	<u>27,807</u>
	<u>27,807</u>	<u>27,807</u>	
Total 2023			

7. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investments	2,264	2,264	2,478
UK bank accounts	16,855	16,855	5,702
	<u>19,119</u>	<u>19,119</u>	<u>8,180</u>
	<u>8,180</u>	<u>8,180</u>	
Total 2023			

8. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Profit/(loss) on disposal of land	-	-	767,494
	<u>767,494</u>	<u>767,494</u>	
Total 2023			

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Notes to the financial statements
For the year ended 31 December 2024

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Activities	1,371,851	13,737	1,385,588	801,708
Total 2023	779,535	22,173	801,708	

10. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Activities	1,300,329	85,259	1,385,588	801,708
Total 2023	779,027	22,681	801,708	

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Notes to the financial statements
For the year ended 31 December 2024

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	531,946	531,946	446,891
Staff training and welfare	2,609	2,609	20,656
Activities expenses	11,965	11,965	11,054
Cleaning and laundry	367	367	289
Course expenses	892	892	2,566
Domestic services	53,129	53,129	48,059
Equipment purchased	4,718	4,718	3,329
Instructors	1,220	1,220	1,208
Uniform	1,845	1,845	1,380
Insurance	21,830	21,830	16,434
Light and heat	41,934	41,934	37,098
Motor and travel	1,852	1,852	349
Printing, postage and stationery	2,350	2,350	2,174
Rates	6,020	6,020	6,566
Depreciation	44,684	44,684	43,208
Repairs and maintenance	561,201	561,201	104,825
Telephone	7,798	7,798	5,694
Sundry expenses	1,409	1,409	957
Loss on disposal of fixed assets	-	-	17,118
Interest	2,560	2,560	9,172
	1,300,329	1,300,329	779,027
Total 2023	779,027	779,027	

Notes to the financial statements
For the year ended 31 December 2024

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2024 £	Total funds 2024 £	Total funds 2023 £
Advertising	1,045	1,045	1,993
Legal and professional	72,599	72,599	13
Bank charges	953	953	942
Land sale expenses	1,370	1,370	5,678
Governance costs	9,292	9,292	14,055
	<u>85,259</u>	<u>85,259</u>	<u>22,681</u>
Total 2023	<u>22,681</u>	<u>22,681</u>	

Governance costs comprise of audit and independent examiner's fees, please see note 11 below.

11. Auditors'/Independent Examiner's remuneration

The auditors remuneration amounts to an auditor fee of £nil (2023 - £9,292), and payroll and tax fees of £3,617 (2023 - £4,455).

The independent examiners remuneration amounts to a fee of £5,675 (2023 - £NIL).

12. Staff costs

	2024 £	2023 £
Wages and salaries	483,660	413,856
Social security costs	37,093	28,404
Contribution to defined contribution pension schemes	11,193	4,631
	<u>531,946</u>	<u>446,891</u>

During the year, the charity incurred severance costs amounting to £25,054 (2023: £NIL) and these were recognised at payment date and fully paid in the year and included in the wages and salaries amount above.

Notes to the financial statements
For the year ended 31 December 2024

12. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2024	2023
	No.	No.
Full and part time staff	43	45

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	1

Details of key management personnel can be found on the information page. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for the services to the charity were £257,886 (2023: £228,659).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, no Trustee expenses have been incurred (2023 - £NIL).

Notes to the financial statements
For the year ended 31 December 2024

14. Tangible fixed assets

	Freehold property, meeting hall and campsite £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation				
At 1 January 2024	2,637,554	-	342,722	2,980,276
Additions	-	13,637	-	13,637
At 31 December 2024	<u>2,637,554</u>	<u>13,637</u>	<u>342,722</u>	<u>2,993,913</u>
Depreciation				
At 1 January 2024	742,397	-	323,053	1,065,450
Charge for the year	36,890	3,080	4,713	44,683
At 31 December 2024	<u>779,287</u>	<u>3,080</u>	<u>327,766</u>	<u>1,110,133</u>
Net book value				
At 31 December 2024	<u>1,858,267</u>	<u>10,557</u>	<u>14,956</u>	<u>1,883,780</u>
At 31 December 2023	<u>1,895,157</u>	<u>-</u>	<u>19,669</u>	<u>1,914,826</u>

The net book value of assets held under finance leases or hire purchase contracts, included above is £nil (2023: £14,158).

Freehold property with a net book value of £1,851,237 (2023: £1,862,847) have been pledged as security for one other loan (note 18). These assets have restricted title.

15. Fixed asset investments

	Listed investments £
Cost or valuation	
Transfers between classes	86,619
At 31 December 2024	<u>86,619</u>
Net book value	
At 31 December 2024	<u>86,619</u>

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Notes to the financial statements
For the year ended 31 December 2024

15. Fixed asset investments (continued)

16. Stocks

	2024	2023
	£	£
Catering	4,434	4,434
Finished goods and goods for resale	3,759	1,858
	<u>8,193</u>	<u>6,292</u>

17. Debtors

	2024	2023
	£	£
Due within one year		
Trade debtors	21,781	9,387
Other debtors	9,783	2,651
Prepayments and accrued income	4,728	5,674
	<u>36,292</u>	<u>17,712</u>

18. Current asset investments

	2024	2023
	£	£
Listed investments	-	79,858
Unlisted investments	-	381
	<u>-</u>	<u>80,239</u>

During the year, Lodge Hill Trust Limited reclassified the investments previously held as current asset investments to fixed asset investments. This reclassification reflects a change in the Charity's intention to hold these investments for the long term, rather than for liquidity purposes.

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Notes to the financial statements
For the year ended 31 December 2024

19. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank loans	12,638	111,650
Other loans	42,000	58,000
Trade creditors	18,102	2,203
Other taxation and social security	11,917	15,406
Obligations under finance lease and hire purchase contracts	-	5,122
Other creditors	1,342	2,704
Accruals and deferred income	25,044	27,931
	111,043	223,016
	2024 £	2023 £
Deferred income at 1 January 2024	15,651	15,457
Resources deferred during the year	19,369	15,651
Amounts released from previous periods	(15,651)	(15,457)
	19,369	15,651

Deferred income comprises of phone mast income £15,201 (2023: £15,201), rental income of £450 (2023: £450) and activities income of £3,718 (2023: £nil).

20. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Bank loans	5,286	15,662
Other loans	205,456	208,250
Other creditors	3,698	228
	214,440	224,140

Other loans of £266,250, included in creditors within one year and falling due after more than one year, are secured by a fixed charge over the freehold property of the Charity.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2024

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2024 £
Unrestricted funds						
Designated funds						
Fixed asset fund	1,914,827	-	(44,684)	13,637	-	1,883,780
Continuity reserve	80,239	-	-	-	6,380	86,619
LH refurbishment	616,014	-	(524,987)	-	-	91,027
	<u>2,611,080</u>	<u>-</u>	<u>(569,671)</u>	<u>13,637</u>	<u>6,380</u>	<u>2,061,426</u>
General funds						
General Fund	<u>52,604</u>	<u>580,287</u>	<u>(802,180)</u>	<u>(13,637)</u>	<u>-</u>	<u>(182,926)</u>
Total Unrestricted funds	<u>2,663,684</u>	<u>580,287</u>	<u>(1,371,851)</u>	<u>-</u>	<u>6,380</u>	<u>1,878,500</u>
Restricted funds						
Tennis court	1,838	-	-	-	-	1,838
Adapted golf buggy	2,410	-	-	-	-	2,410
ChallengeU	-	13,695	(13,695)	-	-	-
Small restricted fund	1,892	-	(42)	-	-	1,850
The Vision Project - Phase 2	52,776	-	-	-	-	52,776
20th Anniversary	5,094	-	-	-	-	5,094
We Cycle Too	1,500	-	-	-	-	1,500
	<u>65,510</u>	<u>13,695</u>	<u>(13,737)</u>	<u>-</u>	<u>-</u>	<u>65,468</u>
Total of funds	<u><u>2,729,194</u></u>	<u><u>593,982</u></u>	<u><u>(1,385,588)</u></u>	<u><u>-</u></u>	<u><u>6,380</u></u>	<u><u>1,943,968</u></u>

Notes to the financial statements
For the year ended 31 December 2024

21. Statement of funds (continued)

Designated funds:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The designated continuity reserve is set aside by trustees from previous surpluses and is held in the form of current asset investments. The fund is available to cover working capital requirements in deficit periods and enable continuity of service during the implementation of changes required to return to operational surplus.

LH refurbishment are funds from the proceeds of the land sale for the ongoing, upgrading, maintenance and refurbishment of the Lodge Hill site. This fund was previously restricted but the income from the sale of land has no restrictions attached so therefore the fund has been transferred to designated.

General funds:

The trustees have considered the deficit in the general fund and consider this to be temporary, and have therefore not considered it necessary to draw down on the continuity fund. The trustees will review this position in future years, should the situation change.

Restricted funds:

Tennis court - funds received to cover the costs of building and maintaining the tennis court.

Golf buggy - funds received toward the costs of an adapted golf buggy which will be purchased once sufficient funds have been raised.

ChallengeU funds - received to cover certain staffing costs of the ChallengeU project.

The Vision Project - funds received in relation to the refurbishment and extension of the kitchen, dining and residential facilities in order to accommodate the increasingly larger groups wishing to visit Lodge Hill. Funds were received from many donors, including but not limited to: Individual donations, Garfield Weston, Bradbury Foundation, ACT Foundation, Ernest Kleinwort Charitable Trust, Edward Gosling Foundation, Foyle Foundation, Hobsons Charity, Beatrice Laing Foundation and Bassil Shippham and Alsford Trust. Upon expenditure of the restricted income received into this fund, on capital items within the restriction, the fund balance is transferred to the designated fixed asset fund, as it is no longer available for expenditure.

20th Anniversary - Lodge Hill has successfully raised funds to install a bespoke disability suite with adjacent carers bedroom and en-suite on the ground floor of Hardwick Hall. Lodge Hill now needs to raise £3,000 for soft furnishings, an intercom system and equipment to make the suite comfortable and homely for future visitors.

We Cycle Too - This donation was made to maintain the Disability Bikes which were gifted to Lodge Hill in 2018.

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Notes to the financial statements
For the year ended 31 December 2024

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds						
Designated funds						
Fixed asset fund	1,975,153	-	(60,326)	-	-	1,914,827
Continuity reserve	73,130	-	-	-	7,109	80,239
LH refurbishment	-	767,494	(91,664)	(59,816)	-	616,014
	<u>2,048,283</u>	<u>767,494</u>	<u>(151,990)</u>	<u>(59,816)</u>	<u>7,109</u>	<u>2,611,080</u>
General funds						
General Fund	<u>59,062</u>	<u>621,087</u>	<u>(627,545)</u>	<u>-</u>	<u>-</u>	<u>52,604</u>
Total Unrestricted funds	<u>2,107,345</u>	<u>1,388,581</u>	<u>(779,535)</u>	<u>(59,816)</u>	<u>7,109</u>	<u>2,663,684</u>
Restricted funds						
Tennis court	1,838	-	-	-	-	1,838
Adapted golf buggy	2,410	-	-	-	-	2,410
ChallengeU	1,840	19,350	(21,190)	-	-	-
Small restricted fund	2,575	-	(683)	-	-	1,892
The Vision Project - Phase 2	53,076	-	(300)	-	-	52,776
20th Anniversary	5,094	-	-	-	-	5,094
We Cycle Too	1,500	-	-	-	-	1,500
LH Refurbishment	(59,816)	-	-	59,816	-	-
	<u>8,517</u>	<u>19,350</u>	<u>(22,173)</u>	<u>59,816</u>	<u>-</u>	<u>65,510</u>

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Notes to the financial statements
For the year ended 31 December 2024

21. Statement of funds (continued)

Total of funds	2,115,862	1,407,931	(801,708)	-	7,109	2,729,194
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22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	1,883,780	-	1,883,780
Current assets	320,203	65,468	385,671
Creditors due within one year	(227,749)	-	(227,749)
Creditors due in more than one year	(97,734)	-	(97,734)
Total	1,878,500	65,468	1,943,968

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,914,826	-	1,914,826
Current assets	1,196,014	65,510	1,261,524
Creditors due within one year	(223,016)	-	(223,016)
Creditors due in more than one year	(224,140)	-	(224,140)
Total	2,663,684	65,510	2,729,194

Notes to the financial statements
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23. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(785,226)	613,332
Adjustments for:		
Depreciation charges	44,683	43,208
(Gains)/losses on investments	(6,380)	(7,109)
Dividends, interests and rents from investments	(19,119)	(8,180)
Gain on the sale of fixed assets	-	(1,016,626)
Decrease/(increase) in stocks	(1,901)	(1,105)
Decrease/(increase) in debtors	(18,580)	5,045
Increase/(decrease) in creditors	(121,673)	257,961
Net cash used in operating activities	(908,196)	(113,474)

24. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	254,567	1,157,281
Total cash and cash equivalents	254,567	1,157,281

25. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	Finance leases £	Other non- cash changes £	At 31 December 2024 £
Cash at bank and in hand	1,157,281	(902,714)	-	-	254,567
Debt due within 1 year	(169,650)	115,012	-	-	(54,638)
Debt due after 1 year	(223,912)	13,170	-	-	(210,742)
Finance leases	(5,122)	-	5,122	-	-
Liquid investments	80,239	6,380	-	(86,619)	-
	838,836	(768,152)	5,122	(86,619)	(10,813)

Notes to the financial statements
For the year ended 31 December 2024

26. Pension commitments

Defined contribution scheme:

For current employees, Lodge Hill Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charged to the statement of financial activities represents contributions payable by the charity to the fund and amounted to £6,169 (2023: £5,291). There were outstanding contributions at the balance sheet date of £nil. (2023: £nil).

Multi employer defined benefit pension scheme:

For certain former employees, Lodge Hill Trust participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Plan is a multi employer defined pension plan. The charity's eligible employees are auto enrolled into the pension scheme with The Pensions Trust.

The Plan is a multi employer scheme where the plan assets are co-mingled for investment purposes, and benefits are paid from the total Plan assets. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the underlying assets and liabilities belonging to the individual participating employers. Due to the nature of the Plan, the accounting charge for the year under FRS102 represents the employer contribution payable.

The rules of the Plan give the Trustees the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as technical provisions.

If the actuarial valuation reveals a deficit, the Trustees will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

The total employer contribution made for the year ended 31 December 2024 was £1,940 (2023: £1,910). The agreed normal contribution rates for future years are 3% for the employer and 5% for the employees. At the year end there were outstanding contributions of £nil (2023: £nil). As at the balance sheet date there were 0 active members of the Plan employed by Lodge Hill Trust.

Actuarial valuations are carried out every three years for funding purposes using the projected unit method. The funding position is calculated by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The most recent valuation available results are as at 30 September 2023. The market value of the Plan's assets at the valuation date was £515 million and the Plan's Technical Provisions (i.e. past service liabilities) were £531 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £16 million, equivalent to a funding level of 97%.

Regulations require the Trustee to set a prudent basis for valuing the Scheme's benefits, taking into account the strength of the employers' covenant and the Scheme Actuary's advice. The Trustee is also required to consult with employers or their representative. The Growth Plan Employer Consultative Group (GPECG), which acts as the employers' representative for the purposes of Scheme funding, have been consulted on the valuation basis and assumptions. The value of the liabilities on this on going basis is

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2024

26. Pension commitments (continued)

known as the Technical Provisions.

Where a Scheme's assets are less than the Technical Provisions a recovery plan must be put in place to show how the deficit can be eliminated over a fixed period. The recovery plan must be submitted to The Pensions Regulator who may investigate schemes and require changes where the Technical Provisions are set at too low a level or where the recovery period is too long. The recovery plan for the Growth Plan aims to eliminate the deficit via a combination of additional contributions from employers and investment returns. The results of the 30 September 2023 valuation showed the deficit contributions are due to end on 31 March 2028.

Under FRS 102 the amount of additional contributions for Lodge Hill Trust in the period to 31 January 2028 have been included as a liability in the accounts.

27. Related party transactions

There were no transactions with related parties in the year (2023: £nil).

28. Controlling party

The company is controlled on a day to day basis by the trustees who are directors of the company.

29. Supporters of Lodge Hill

The Supporters of Lodge Hill is a separate charity (registration number 10872569) that supports the work of Lodge Hill. It has its own constitution and trustees.

LODGE HILL TRUST

England & Wales - Charity number 1071041

Accounts

Registered number: 03590104
Charity number: 1071041

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2023

Lodge Hill Trust
(A company limited by guarantee)

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Lodge Hill Trust
(A company limited by guarantee)

Reference and administrative details of the company, its Trustees and advisers
For the year ended 31 December 2023

Trustees	Mr Matthew Wykes, DipPFS, Chairman Mr Guy Nelson, MA (Ed); NPQH Mr Richard Whittaker Ms Penny Barnes Mr Jack Marriott Mr Raymond Dawe (appointed 24 October 2023)
Company registered number	03590104
Charity registered number	1071041
Registered office	Lodge Hill Watersfield Pulborough West Sussex RH20 1LZ
President	Col. Sir Brian Barttelot, Bt; OBE; DL
Independent auditors	Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Mailing Kent ME19 4JQ
Key Management Personnel	Lisa May BSc (Hons); Dip HSW, Chief Executive Officer Katie Collet, BSc (Hons), Finance and Operations Manager Claire Sumner, Chef Manager Darren Worsfold, Activities Manager

Lodge Hill Trust
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Trustees' report
For the year ended 31 December 2023

The Trustees present their annual report together with the audited financial statements of the company for the year 1 January 2023 to 31 December 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objectives and aims

The aim and purpose of the Trust is to ensure that the young people and others of West Sussex and beyond enjoy the educational benefits available at the Centre.

The objects of the Trust set this out as:

- 1) The advancement of the education of young people, primarily those resident in the county of West Sussex, by helping them to develop their mental and physical capabilities that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved.
- 2) The provisions of facilities for the further education of adults, primarily those resident in the county of West Sussex.

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2023

Objectives and activities (continued)

b. Charitable activities

Under the Charities Act 2011, the trustees are required to report on how the Trust has carried out its aims for the public benefit.

The Trust's objects are set out in the Memorandum of Association and include particularly the advancement of the education of young people and the provision of the facilities for the further education of adults.

The Charity Commission has set out 2 key principles of public benefit, being that there must be identifiable benefits which are related to the Trust's aims and that the benefit must be for the public or a section of the public.

A) Identifiable benefits related to the objects of the Trust include the following:

1. Provision of Facilities

The 30-acre site at Lodge Hill includes a camp site, residential accommodation, outdoor activities and meeting and conference facilities.

2. Giving an education

The Trust's employees include instructors who are trained in the use of all facilities at the site enabling all the users to be educated in their use. The instructors are not only able to teach users how to achieve personal targets but also, ver importantly, how to achieve those targets as a part of a group or team. The Trust achieved accreditation with "Learning Outside the Classroom".

3. Preserving the environment

The Trust's 30 acre site is mainly woodland which is maintained by the Trust's employees for the benefit of all the users generally but also allowing, particularly, school groups, to fulfil educational requirements arising from the national curriculum.

B) The benefit for the public can be illustrated as follows:

1. In the year ended 31st December 2023, there were approx. 26,320 users (mainly children and young people) who visited Lodge Hill.

2. Many of these users were young people that took part in activities organised by the outdoor instructors during the period.

The Trust has made it a particular priority to ensure that the centre's facilities are available for disabled users by developing and improving access around the site. This year we have improved access to the high level activities such as High Zip Line, Climbing and Abseiling with the addition of a disability sling and the required training of the instructors.

The use of consistent feedback from both providers and service users ensures that the Trust is able to measure the success of the adaptations and additions being made. This feedback is also used to develop and explore future projects.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2023

Objectives and activities (continued)

Achievements and performance

a. Chairman's Report

2023 saw a lot of change at Lodge Hill. After 6 years of hard graft, we finally managed to secure the sale of a small parcel of unused land to the South-East corner. This brings much needed capital in order to update the ageing site and to ensure financial security for years to come.

It goes without saying that it was another record year. And, in the 16 years I have been utilizing Lodge Hill with groups of young people, and, with my role as Trustee and now Chair of Trustees, we have not had a better team to manage all of the requirements of these groups all year round. We are busier through the whole year and not contained to the summer months. This is very pleasing to see.

Our core business remains schools in a day visit or residential capacity. We have a strong and ever growing relationship with West Sussex County Council and are one of their preferred providers of activities for family groups with a disabled child or young person. The ChallengeU programme for young people that have offended, are at risk of offending or have disengaged with society or education is becoming an increasing influence on our overall offering at Lodge Hill and the need increases with much younger young people requiring intervention and support than we had anticipated. The centre is licensed for weddings, and we have a unique offering for those wishing to share their special day at Lodge Hill. We have great conference facilities to host meetings, corporate events and presentations that add additional income streams to support our core work of supporting children and young people to thrive.

We continue to develop our activity offering and have great plans now that the land sale has gone through. 2024 and into 2025 will see great development work on the site including new bathrooms, windows, activities and future plans to continue to improve the facilities for children with special educational needs and disabilities. As well as future ideas for extending indoor activities so we continue the drive to be fully functional whatever the weather. We continue to invest in our team to increase their individual abilities as well as the need to stay safe and compliant. The future looks good and we are very proud of our achievements.

Development plan

In developing our business plan, we recognised that the challenge for Lodge Hill was to become a viable and accessible, high-class provider of choice for users from West Sussex and beyond requiring outdoor activities, residential trips and day meetings/conferences, thus enabling the Trust to remain financially sustainable. We reaffirmed the Trust's mission to target a wide range of groups and individuals, including those with physical disabilities, mental health or learning difficulties and young offenders. The business plan identified that in order to achieve this challenge the Trust would need to:

1. Maintain financial sustainability whilst ensuring Lodge Hill provides best value for money for young people
2. Maintain a professional and committed staff team
3. Maximise the use of facilities and establish on-going communications with key players and supporters
4. Maintain the centre and its facilities to a high standard and plan appropriate improvements
5. Establish joint initiatives with recognised partners and targeted funding.

b. Key performance indicators

The principal indicators of performance are financial reporting of current results compared to the budget numbers and previous years. The budget is formally adopted at a meeting of Trustees at the start of the year. Financial reports are prepared by the Accounts Manager and considered in detail by the Finance Committee four times per year. They are presented and discussed by the full board of trustees at each of their meetings. Client satisfaction and statistics of repeat bookings are also considered as performance indicators.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2023

Achievements and performance (continued)

c. Events since the balance sheet date

Bookings are buoyant for 2024 and beyond. We have taken bookings from new customers for residential and activity days who would previously have visited other centers further afield.

d. Investment policy

The Trust has unrestricted authority to invest its funds in the furtherance of its charitable objectives. A proportion of retained reserves is held in the form of listed investments. It is the Trust's policy to have these managed by an independent investment manager under a discretionary mandate requiring a mix of equity and fixed income investments. Although the Trust has not adopted a specific ethical policy, they have instructed the investment manager that they should refrain from investing in companies that undertake activities that are incompatible with the aims and objectives of Lodge Hill. The trustees review the performance of the investment manager periodically and consider the returns achieved to date to have been satisfactory.

Financial review

a. Financial review

Bookings were extremely buoyant throughout 2023 for schools and we delivered a higher level of SEND provision in partnership with WSCC. Our Alternative Provision sessions have been in great demand and POM funding has enabled us to increase delivery. Costs have remained largely stable but we have identified some savings in operational costs.

The receipt of the funds from the sale of the parcel of land in December means that extensive refurbishment of the main house and grounds will be enabled during 2024. This payment has had a significant effect on the income for the year and the net cash inflow has been designated for specific purposes as detailed in the statement of funds note.

Principle risks and measures are reviewed annually by the Trustees. Any factors likely to affect future financial performance are discussed and included in forecasts which are reviewed monthly at Finance Committee Meetings.

b. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2023

c. Reserves policy

The Trustees review the level of reserves regularly. Reserves are a key element of financial stability and allow the Trust to cope with the fluctuating nature and timing of cash flows. Reserves allow the Trust to deal with unexpected expenditure or changes in income and give time for appropriate action to be taken. Following the receipt of the land sale funds, the Trustees plan to be able to cover 3-6 months running costs of the centre.

The total funds at the year-end were £2,729,194 (2022: £2,115,862). Of this total, £2,611,080 (2022: £2,048,283) is designated as follows:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The Continuity reserve is the balance of the current asset investments' value.

Restricted funds at the year-end were £65,510 (2022: £8,517).

Structure, governance and management

a. Constitution

Lodge Hill Trust is registered as a charitable company limited by guarantee under registered number 03590104, and a registered charity under the charity number 1071041. It was incorporated on 30th June 1998 in the United Kingdom. The charity is governed by its Memorandum of Association.

b. Methods of appointment or election of Trustees

New trustees are recruited primarily by utilising the knowledge of the existing trustees who have a wide network of contacts in the voluntary and business communities in West Sussex. Potential trustees visit Lodge Hill and meet with the chairman and at least one other trustee. They are provided with background papers and receive a detailed briefing. If both sides feel that they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following the meeting a decision is made on whether to invite the individual to become a trustee.

When seeking new trustees Lodge Hill looks for:-

- Compatibility with the charity's values, aims and way of working.
- Availability to attend meetings, support activities, work on sub-committees, interact with staff and to encourage supporters.
- An enduring enthusiasm for the charity's objectives.
- An ability to establish priorities and to make logical decisions.
- They must be able to contribute effectively, to have listening skills and must have a willingness to share responsibilities.
- While specialist expertise is not a pre-requisite, new trustees should enrich the diversity of the board.
- Trustees must possess independence of mind and have the skill to challenge constructively, and be capable of and have experience of strategic thinking at board level. All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activity of Lodge Hill.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2023

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The trustees meet as a board on at least four occasions during the year. Closer involvement in the charity's activities is maintained by appropriate committees of trustees, staff, users and professional advisers. Each committee reports to the board and is chaired by a trustee. Committees that were in place in 2023 were:

Finance
Health and Safety
PR

The day-to-day activities have been directed by the Chief Executive, Lisa May, who works closely with the chair of the Trustees. She is supported by her management team.

Wider network

Lodge Hill works with a wide range of youth and community organisations but does not have formal links with any wider network.

d. Pay policy for senior management

The Finance Committee together with the Chair meet in December to consider salaries for key staff to be applied in the following financial year. The Committee consider proposals from the Chief Executive which take into account prevailing rates of pay in the local area together with any change in responsibilities. The Committee also consider the remuneration of the Chief Executive.

e. Related party relationships

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

The Trust owns the issued share capital of Lodge Hill Services Limited. This company is dormant and has not traded during the current financial year.

f. Financial risk management

The Trustees consider the risks faced by the Trust at a special meeting at the year end and also consider measures to reduce their likelihood and impact.

Sudden loss of income is the principle concern either from changes in the market which could reduce the capacity of the trust's clients to fund their visits or from damage to the facilities. The former risk is countered by sustained, targeted marketing and efforts to increase the breadth of its user groups. Risks to the facility are countered by careful management and an awareness of risks in the day to day operations.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they 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 income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


Mr Matthew Wykes, DipPFS
Date: 24-09-24

Lodge Hill Trust
(A company limited by guarantee)

Independent auditors' report to the Members of Lodge Hill Trust

Opinion

We have audited the financial statements of Lodge Hill Trust (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Lodge Hill Trust
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Independent auditors' report to the Members of Lodge Hill Trust (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the Members of Lodge Hill Trust (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit detecting irregularities including fraud

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to management bias in accounting estimates and judgemental areas of the financial statements such as the multi-employer defined benefit pension scheme. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Lodge Hill Trust
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Independent auditors' report to the Members of Lodge Hill Trust (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matters

The prior period financial statements of the charity for the year ended 31 December 2022 were not audited. Accordingly the corresponding figures presented as part of the financial statements of the charity for the year ended 31 December 2022 are unaudited.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP

Chichester
Chartered Accountants
Statutory Auditor

Date: 26 September 2024

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2023**

	Note	Unrestricted funds		Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
		General funds 2023 £	Designated funds 2023 £			
Income from:						
Donations and legacies	4	1,371	-	19,350	20,721	43,981
Charitable activities	5	583,729	-	-	583,729	639,804
Other trading activities	6	27,807	-	-	27,807	25,675
Investments	7	8,180	-	-	8,180	2,830
Other income	8	-	767,494	-	767,494	-
Total income		621,087	767,494	19,350	1,407,931	712,290
Expenditure on:						
Charitable activities	9	627,545	151,990	22,173	801,708	754,579
Total expenditure		627,545	151,990	22,173	801,708	754,579
Net gains on investments		-	7,109	-	7,109	(8,271)
Net (expenditure)/income		(6,458)	622,613	(2,823)	613,332	(50,560)
Transfers between funds		-	(59,816)	59,816	-	-
Net movement in funds		(6,458)	562,797	56,993	613,332	(50,560)
Reconciliation of funds:						
Total funds brought forward		59,062	2,048,283	8,517	2,115,862	2,166,422
Net movement in funds		(6,458)	562,797	56,339	613,332	(50,560)
Total funds carried forward		52,604	2,611,080	65,510	2,729,194	2,115,862

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 38 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)
Registered number: 03590104

Balance sheet
As at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	1,914,826	1,975,152
		1,914,826	1,975,152
Current assets			
Stocks	15	6,292	5,187
Debtors	16	17,712	22,757
Investments	17	80,239	73,130
Cash at bank and in hand		1,157,281	238,701
		1,261,524	339,775
Creditors: amounts falling due within one year	18	(223,016)	(67,265)
Net current assets		1,038,508	272,510
Total assets less current liabilities		2,953,334	2,247,662
Creditors: amounts falling due after more than one year	19	(224,140)	(131,800)
Total net assets		2,729,194	2,115,862
Charity funds			
Restricted funds	20	65,510	8,517
Unrestricted funds			
Designated funds	20	2,611,080	2,048,283
General funds	20	52,604	59,062
Total unrestricted funds	20	2,663,684	2,107,345
Total funds		2,729,194	2,115,862

Lodge Hill Trust

(A company limited by guarantee)

Registered number: 03590104

Balance sheet (continued)

As at 31 December 2023

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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



Mr Matthew Wykes, DipPFS

Date: 24-09-24

The notes on pages 17 to 38 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(113,474)	(24,830)
Cash flows from investing activities		
Dividends, interests and rents from investments	8,180	2,830
Proceeds from the sale of tangible fixed assets	1,033,744	-
Net cash provided by investing activities	1,041,924	2,830
Cash flows from financing activities		
Repayments of borrowing	(9,870)	(9,388)
Net cash used in financing activities	(9,870)	(9,388)
Change in cash and cash equivalents in the year	918,580	(31,388)
Cash and cash equivalents at the beginning of the year	238,701	270,089
Cash and cash equivalents at the end of the year	1,157,281	238,701

The notes on pages 17 to 38 form part of these financial statements

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

1. General information

Lodge Hill Trust is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of its registered office is:

Lodge Hill
Watersfield
Pulborough
West Sussex
RH20 1LZ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lodge Hill Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held 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.

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following bases.

Depreciation is provided on the following bases:

Freehold property	- 2 - 5% straight line
Kitchen, campsite and outdoor equipment	- 10 - 25% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 25% straight line

2.7 Current asset investments

Current asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The company 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.

2.13 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.15 Pensions

In the past the company operated a defined benefits pension scheme for former employees. The scheme is a multi employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the company accounts of this scheme are accounted for as if it was a defined contribution scheme. The amount charged to the statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
For the year ended 31 December 2023

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Multi-employer defined benefit pension scheme:

Certain former employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgement of the trustees, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see pension note for further details.

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations - Individuals	1,346	30	1,376	1,331
Donations - Trusts	-	19,320	19,320	38,650
Donations - Others	25	-	25	-
Local authority grants	-	-	-	4,000
	<u>1,371</u>	<u>19,350</u>	<u>20,721</u>	<u>43,981</u>
	<u>252</u>	<u>43,729</u>	<u>43,981</u>	
Total 2022				

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Residential and other charges	329,820	329,820	324,786
Day conferences	25,488	25,488	43,653
Activities	221,652	221,652	258,112
Campsite hire	6,769	6,769	13,253
	<u>583,729</u>	<u>583,729</u>	<u>639,804</u>
	<u>639,804</u>	<u>639,804</u>	
Total 2022			

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Phone mast income	15,201	15,201	15,201
Rental income	7,806	7,806	5,674
Staff accommodation income	4,800	4,800	4,800
	<u>27,807</u>	<u>27,807</u>	<u>25,675</u>
	<u>25,675</u>	<u>25,675</u>	
Total 2022			

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
UK quoted investments	2,478	2,478	1,682
UK bank accounts	5,702	5,702	1,148
	<u>8,180</u>	<u>8,180</u>	<u>2,830</u>
	<u>2,830</u>	<u>2,830</u>	
Total 2022			

8. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Profit/(loss) on disposal of land	767,494	767,494	-

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Activities	779,535	22,173	801,708	754,579
Total 2022	625,734	128,845	754,579	

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Activities	779,027	22,681	801,708	754,579
Total 2022	714,046	40,533	754,579	

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	446,891	446,891	431,591
Staff training and welfare	20,656	20,656	15,544
Activities expenses	11,054	11,054	28,655
Cleaning and laundry	289	289	2,222
Course expenses	2,566	2,566	-
Domestic services	48,059	48,059	39,302
Equipment purchased	3,329	3,329	810
Instructors	1,208	1,208	8,245
Uniform	1,380	1,380	1,331
Insurance	16,434	16,434	16,914
Light and heat	37,098	37,098	41,742
Motor and travel	349	349	3,491
Printing, postage and stationery	2,174	2,174	2,578
Rates	6,566	6,566	2,322
Depreciation	43,208	43,208	44,483
Repairs and maintenance	104,825	104,825	62,349
Telephone	5,694	5,694	4,850
Sundry expenses	957	957	1,018
Loss on disposal of fixed assets	17,118	17,118	-
Interest	9,172	9,172	6,599
	<u>779,027</u>	<u>779,027</u>	<u>714,046</u>
Total 2022	<u>714,046</u>	<u>714,046</u>	

Notes to the financial statements
For the year ended 31 December 2023

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Advertising	1,993	1,993	1,346
Legal and professional	13	13	1,520
Bank charges	942	942	910
Land sale expenses	5,678	5,678	30,417
Governance costs	14,055	14,055	6,340
	<u>22,681</u>	<u>22,681</u>	<u>40,533</u>
Total 2022	<u>40,533</u>	<u>40,533</u>	

Governance costs comprise £9,300 of audit fees (2022: £Nil), accountancy fees of £4,455 (2022: £3,369) and independent examination fees of £Nil (2022 - £3,600).

11. Auditors'/Independent Examiner's remuneration

The auditors remuneration amounts to an auditor fee of £9,300 (2022 - £Nil), and other accountancy fees of £4,455 (2022 - £2,640).

The independent examiners remuneration amounts to a fee of £Nil (2022 - £3,700).

12. Staff costs

	2023 £	2022 £
Wages and salaries	413,856	400,050
Social security costs	28,404	27,091
Contribution to defined contribution pension schemes	4,631	4,450
	<u>446,891</u>	<u>431,591</u>

The average number of persons employed by the company during the year was as follows:

	2023 No.	2022 No.
Full and part time staff	<u>45</u>	<u>38</u>

Notes to the financial statements
For the year ended 31 December 2023

12. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	2022 No.
In the band £70,001 - £80,000	1	1

Details of key management personnel can be found on the information page. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for the services to the charity were £228,659 (2022: £184,425).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, no Trustee expenses have been incurred (2022 - £NIL).

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

14. Tangible fixed assets

	Freehold property, meeting hall and campsite £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2023	2,701,242	342,722	3,043,964
Disposals	(63,688)	-	(63,688)
At 31 December 2023	<u>2,637,554</u>	<u>342,722</u>	<u>2,980,276</u>
Depreciation			
At 1 January 2023	751,513	317,299	1,068,812
Charge for the year	37,454	5,754	43,208
On disposals	(46,570)	-	(46,570)
At 31 December 2023	<u>742,397</u>	<u>323,053</u>	<u>1,065,450</u>
Net book value			
At 31 December 2023	<u>1,895,157</u>	<u>19,669</u>	<u>1,914,826</u>
At 31 December 2022	<u>1,949,729</u>	<u>25,423</u>	<u>1,975,152</u>

The net book value of assets held under finance leases or high purchase contracts, included above is £14,158 (2022: £17,698).

Freehold property with a net book value of £1,862,847 (2022: £Nil) have been pledged as security for one of the bank loans and the other loan (note 18). These assets have restricted title.

15. Stocks

	2023 £	2022 £
Catering	4,434	3,139
Finished goods and goods for resale	1,858	2,048
	<u>6,292</u>	<u>5,187</u>

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

16. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	9,387	18,651
Other debtors	2,651	-
Prepayments and accrued income	5,674	4,106
	17,712	22,757

17. Current asset investments

	2023 £	2022 £
Listed investments	79,858	72,751
Unlisted investments	381	379
	80,239	73,130

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

18. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	111,650	10,919
Other loans	58,000	-
Trade creditors	2,203	8,024
Other taxation and social security	15,406	15,918
Obligations under finance lease and hire purchase contracts	5,122	8,900
Other creditors	2,704	2,627
Accruals and deferred income	27,931	20,877
	<u>223,016</u>	<u>67,265</u>

Bank loans includes a £100,000 loan, which is secured by a fixed charge over the freehold property of the Charity. The loan was due for repayment in June 2025, however it was repaid on 19 January 2024 and therefore it is classified as creditors due within one year in the financial statements.

The other bank loan has not been repaid early and remains split between creditors falling due within and after one year as appropriate. There is no security provided in respect of this loan.

Other loans of £266,250, included in creditors within one year and falling due after more than one year, is secured by a fixed charge over the freehold property of the Charity.

	2023 £	2022 £
Deferred income at 1 January 2023	15,457	40,260
Resources deferred during the year	15,651	15,457
Amounts released from previous periods	(15,457)	(40,260)
	<u>15,651</u>	<u>15,457</u>

Deferred income comprises of phone mast income £15,201 (2022: £15,201) and rental income of £450 (2022: £256).

19. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	15,662	125,781
Other loans	208,250	-
Net obligations under finance lease and hire purchase contracts	-	3,087
Other creditors	228	2,932
	<u>224,140</u>	<u>131,800</u>

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds						
Designated funds						
Fixed asset fund	1,975,153	-	(60,326)	-	-	1,914,827
Continuity reserve	73,130	-	-	-	7,109	80,239
LH refurbishment	-	767,494	(91,664)	(59,816)	-	616,014
	<u>2,048,283</u>	<u>767,494</u>	<u>(151,990)</u>	<u>(59,816)</u>	<u>7,109</u>	<u>2,611,080</u>
General funds						
General Fund	<u>59,062</u>	<u>621,087</u>	<u>(627,545)</u>	<u>-</u>	<u>-</u>	<u>52,604</u>
Total Unrestricted funds	<u>2,107,345</u>	<u>1,388,581</u>	<u>(779,535)</u>	<u>(59,816)</u>	<u>7,109</u>	<u>2,663,684</u>
Restricted funds						
Tennis court	1,838	-	-	-	-	1,838
Adapted golf buggy	2,410	-	-	-	-	2,410
ChallengeU	1,840	19,350	(21,190)	-	-	-
Small restricted fund	2,575	-	(683)	-	-	1,892
The Vision Project - Phase 2	53,076	-	(300)	-	-	52,776
20th Anniversary	5,094	-	-	-	-	5,094
We Cycle Too	1,500	-	-	-	-	1,500
LH Refurbishment	(59,816)	-	-	59,816	-	-
	<u>8,517</u>	<u>19,350</u>	<u>(22,173)</u>	<u>59,816</u>	<u>-</u>	<u>65,510</u>
Total of funds	<u>2,115,862</u>	<u>1,407,931</u>	<u>(801,708)</u>	<u>-</u>	<u>7,109</u>	<u>2,729,194</u>

Notes to the financial statements
For the year ended 31 December 2023

20. Statement of funds (continued)

Designated funds:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The designated continuity reserve is set aside by trustees from previous surpluses and is held in the form of current asset investments. The fund is available to cover working capital requirements in deficit periods and enable continuity of service during the implementation of changes required to return to operational surplus.

LH refurbishment are funds from the proceeds of the land sale for the ongoing, upgrading, maintenance and refurbishment of the Lodge Hill site. This fund was previously restricted but the income from the sale of land has no restrictions attached so therefore the fund has been transferred to designated.

General funds:

The trustees have considered the deficit in the general fund and consider this to be temporary, and have therefore not considered it necessary to draw down on the continuity fund. The trustees will review this position in future years, should the situation change.

Restricted funds:

Tennis court - funds received to cover the costs of building and maintaining the tennis court.

Rank foundation - funds received to cover costs of a students living and general expenses whilst completing an apprenticeship at Lodge Hill.

Sno tubing funds - received to cover the costs of building and maintaining the sno tubing activity.

Golf buggy - funds received toward the costs of an adapted golf buggy which will be purchased once sufficient funds have been raised.

ChallengeU funds - received to cover certain staffing costs of the ChallengeU project.

The Vision Project - funds received in relation to the refurbishment and extension of the kitchen, dining and residential facilities in order to accommodate the increasingly larger groups wishing to visit Lodge Hill. Funds were received from many donors, including but not limited to: Individual donations, Garfield Weston, Bradbury Foundation, ACT Foundation, Ernest Kleinwort Charitable Trust, Edward Gosling Foundation, Foyle Foundation, Hobsons Charity, Beatrice Laing Foundation and Bassil Shippam and Alsford Trust. Upon expenditure of the restricted income received into this fund, on capital items within the restriction, the fund balance is transferred to the designated fixed asset fund, as it is no longer available for expenditure.

In memory of P Hardwick - funds received in memory of the late President, Penny Hardwick. These funds are being applied to the Vision Project which she fully supported.

20th Anniversary - Lodge Hill has successfully raised funds to install a bespoke disability suite with adjacent carers bedroom and en-suite on the ground floor of Hardwick Hall. Lodge Hill now needs to raise £3,000 for soft furnishings, an intercom system and equipment to make the suite comfortable and homely for future visitors.

We Cycle Too - This donation was made to maintain the Disability Bikes which were gifted to Lodge Hill in 2018.

Kayaks - This funding was given by the Hedley Foundation for the purchase of Kayaks and equipment.

Telescore - These funds were donated by the Rotary Club of Storrington and Pulborough District for the

Notes to the financial statements
For the year ended 31 December 2023

20. Statement of funds (continued)

purchase of a telescope and training for delivery of sessions.

Christmas Pudding Concert - This funding was raised to be used for the fixtures and fittings for the Disability Suite, when complete.

Covid relief grants - Received to contribute toward core costs and essential staffing throughout the period the Centre was closed due to the pandemic restrictions.

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
Fixed asset fund	2,019,636	-	(44,483)	-	1,975,153
Continuity reserve	81,401	-	-	(8,271)	73,130
	<u>2,101,037</u>	<u>-</u>	<u>(44,483)</u>	<u>(8,271)</u>	<u>2,048,283</u>
General funds					
General Fund	<u>(28,248)</u>	<u>668,561</u>	<u>(581,251)</u>	<u>-</u>	<u>59,062</u>
Total Unrestricted funds	<u>2,072,789</u>	<u>668,561</u>	<u>(625,734)</u>	<u>(8,271)</u>	<u>2,107,345</u>
Restricted funds					
Tennis court	1,838	-	-	-	1,838
Rank foundation	820	-	(820)	-	-
Sno-tubing	899	-	(899)	-	-
Adapted golf buggy	2,410	-	-	-	2,410
ChallengeU	21,451	39,729	(59,340)	-	1,840
Small restricted fund	2,642	-	(67)	-	2,575
In memory of P Hardwick	430	-	(430)	-	-
The Vision Project - Phase 2	53,076	-	-	-	53,076
20th Anniversary	5,094	-	-	-	5,094
We Cycle Too	1,500	-	-	-	1,500
Enchanted Garden	2,704	-	(2,704)	-	-
Telescope	269	-	(269)	-	-
Christmas pudding concert	500	-	(500)	-	-

Notes to the financial statements
For the year ended 31 December 2023

20. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Covid relief grants	-	4,000	(4,000)	-	-
LH Refurbishment	-	-	(59,816)	-	(59,816)
	<u>93,633</u>	<u>43,729</u>	<u>(128,845)</u>	<u>-</u>	<u>8,517</u>
Total of funds	<u>2,166,422</u>	<u>712,290</u>	<u>(754,579)</u>	<u>(8,271)</u>	<u>2,115,862</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,914,826	-	1,914,826
Current assets	1,196,014	65,510	1,261,524
Creditors due within one year	(223,016)	-	(223,016)
Creditors due in more than one year	(224,140)	-	(224,140)
Total	<u>2,663,684</u>	<u>65,510</u>	<u>2,729,194</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,975,152	-	1,975,152
Current assets	331,258	8,517	339,775
Creditors due within one year	(67,265)	-	(67,265)
Creditors due in more than one year	(131,800)	-	(131,800)
Total	<u>2,107,345</u>	<u>8,517</u>	<u>2,115,862</u>

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	613,332	(50,560)
Adjustments for:		
Depreciation charges	43,208	44,483
(Gains)/losses on investments	(7,109)	8,271
Dividends, interests and rents from investments	(8,180)	(2,830)
Gain on the sale of fixed assets	(1,016,626)	-
Decrease/(increase) in stocks	(1,105)	(1,686)
Decrease/(increase) in debtors	5,045	21,998
Increase/(decrease) in creditors	257,961	(44,506)
Net cash used in operating activities	(113,474)	(24,830)

23. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	1,157,281	238,701
Total cash and cash equivalents	1,157,281	238,701

24. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	Finance leases £	At 31 December 2023 £
Cash at bank and in hand	238,701	928,019	(9,439)	1,157,281
Debt due within 1 year	(10,919)	(158,731)	-	(169,650)
Debt due after 1 year	(125,781)	(98,131)	-	(223,912)
Finance leases	(11,987)	-	6,865	(5,122)
Liquid investments	73,130	7,109	-	80,239
	163,144	678,266	(2,574)	838,836

Notes to the financial statements
For the year ended 31 December 2023

25. Pension commitments

Defined contribution scheme:

For current employees, Lodge Hill Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charged to the statement of financial activities represents contributions payable by the charity to the fund and amounted to £5,291 (2022: £4,691). There were outstanding contributions at the balance sheet date of £nil. (2022: £nil).

Multi employer defined benefit pension scheme:

For certain former employees, Lodge Hill Trust participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Plan is a multi employer defined pension plan. The charity's eligible employees are auto enrolled into the pension scheme with The Pensions Trust.

The Plan is a multi employer scheme where the plan assets are co-mingled for investment purposes, and benefits are paid from the total Plan assets. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the underlying assets and liabilities belonging to the individual participating employers. Due to the nature of the Plan, the accounting charge for the year under FRS102 represents the employer contribution payable.

The rules of the Plan give the Trustees the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as technical provisions.

If the actuarial valuation reveals a deficit, the Trustees will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

The total employer contribution made for the year ended 31 December 2023 was £1,910 (2022: £2,092). The agreed normal contribution rates for future years are 3% for the employer and 5% for the employees. At the year end there were outstanding contributions of £nil (2022: £nil). As at the balance sheet date there were 0 active members of the Plan employed by Lodge Hill Trust.

Actuarial valuations are carried out every three years for funding purposes using the projected unit method. The funding position is calculated by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The most recent valuation available results are as at 30 September 2017. The market value of the Plan's assets at the valuation date was £796 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £132 million, equivalent to a funding level of 86%.

Regulations require the Trustee to set a prudent basis for valuing the Scheme's benefits, taking into account the strength of the employers' covenant and the Scheme Actuary's advice. The Trustee is also required to consult with employers or their representative. The Growth Plan Employer Consultative Group (GPECG), which acts as the employers' representative for the purposes of Scheme funding, have been consulted on the valuation basis and assumptions. The value of the liabilities on this on going basis is

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2023

25. Pension commitments (continued)

known as the Technical Provisions.

Where a Scheme's assets are less than the Technical Provisions a recovery plan must be put in place to show how the deficit can be eliminated over a fixed period. The recovery plan must be submitted to The Pensions Regulator who may investigate schemes and require changes where the Technical Provisions are set at too low a level or where the recovery period is too long. The recovery plan for the Growth Plan aims to eliminate the deficit via a combination of additional contributions from employers and investment returns. The results of the 30 September 2015 valuation showed a reduction of eight months in the length of the recovery plan, which will now end on 31 January 2025 instead of 30 September 2025.

Under FRS 102 the amount of additional contributions for Lodge Hill Trust in the period to 31 January 2025 have been included as a liability in the accounts.

26. Related party transactions

There were no transactions with related parties in the year (2022: £nil).

27. Controlling party

The company is controlled on a day to day basis by the trustees who are directors of the company.

28. Supporters of Lodge Hill

The Supporters of Lodge Hill is a separate charity (registration number 10872569) that supports the work of Lodge Hill. It has its own constitution and trustees.

LODGE HILL TRUST

England & Wales - Charity number 1071041

Accounts

Registered number: 03590104
Charity number: 1071041

Lodge Hill Trust
(A company limited by guarantee)

Unaudited

Trustees' report and financial statements

For the year ended 31 December 2022

Lodge Hill Trust
(A company limited by guarantee)

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Lodge Hill Trust
(A company limited by guarantee)

Reference and administrative details of the company, its Trustees and advisers
For the year ended 31 December 2022

Trustees

Mr Matthew Wykes, DipPFS, Chairman
Mr Guy Nelson, MA (Ed); NPQH
Mr Richard Whittaker
Ms Penny Barnes
Ms Shirley Robinson-Viney (resigned 13 July 2022)
Mr Jack Marriott (appointed 13 September 2022)

Company registered number

03590104

Charity registered number

1071041

Registered office

Lodge Hill, Watersfield, Pulborough, West Sussex, RH20 1LZ

Company secretary

Shirley Robinson-Viney (resigned 13 July 2022)

President

Col. Sir Brian Barttelot, Bt; OBE; DL

Accountants

Kreston Reeves LLP, 9 Donnington Park, 85 Birdham Road, Chichester, West Sussex, PO20 7AJ

Bankers

CAF Bank Ltd, Kings Hill, West Malling, Kent, ME19 4JQ

Solicitors

Miller Parris, Broadwater, Worthing, West Sussex, BN14 8JB

Investment advisors

Waverton Investment Management Ltd, 16 Babmaes Street, London, SW1Y 6AH

Key Management Personnel

Lisa May BSc (Hons); Dip HSW, Chief Executive Officer
Katie Collet, BSc (Hons), Finance and Operations Manager
Claire Harrison, BSc, MHCIMA, Chef Manager (resigned 08 August 2022)
Claire Sumner, Chef Manager (appointed 08 August 2022)
Matthew Brown, Lead Activities Instructor (resigned 18 July 2022)
Darren Worsfold, Activities Manager (appointed 01 November 2022)

Lodge Hill Trust**(A company limited by guarantee)****Reference and administrative details of the company, its Trustees and advisers (continued)
For the year ended 31 December 2022****Patrons**

Mrs Susan Pyper (Lord Lieutenant of West Sussex)

Col. Sir Brian Barttelot, Bt; OBE; DL

The Lord Dholakia, OBE;DL

Sylvia Countess of Limerick, CBE

Ms Jennifer Hardwick (appointed 03 November 2022)

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2022

The Trustees present their annual report together with the financial statements of the company for the 1 January 2022 to 31 December 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objectives and aims

The aim and purpose of the Trust is to ensure that the young people and others of West Sussex and beyond enjoy the educational benefits available at the Centre.

The objects of the Trust set this out as:

- 1) The advancement of the education of young people, primarily those resident in the county of West Sussex, by helping them to develop their mental and physical capacities that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved.
- 2) The provisions of facilities for the further education of adults, primarily those resident in the county of West Sussex.

b. Charitable activities

Under the Charities Act 2006, the trustees are required to report on how the Trust has carried out its aims for the public benefit.

The Trust's objects are set out in the Memorandum of Association and include particularly the advancement of the education of young people and the provision of the facilities for the further education of adults.

The Charity Commission has set out 2 key principles of public benefit, being that there must be identifiable benefits which are related to the Trust's aims and that the benefit must be for the public or a section of the public.

A) Identifiable benefits related to the objects of the Trust include the following:

1. Provision of Facilities

The 32-acre site at Lodge Hill includes a camp site, residential accommodation, outdoor activities and meeting and conference facilities.

2. Giving an education

The Trust's employees include instructors who are trained in the use of all the facilities at the site enabling all the users to be educated in their use. The instructors are not only able to teach users how to achieve personal targets but also, very importantly, how to achieve those targets as a part of a group or team. The Trust achieved accreditation with "Learning Outside the Classroom".

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2022

3. Preserving the environment

The Trust's 32 acre site is mainly woodland which is maintained by the Trust's employees for the benefit of all the users generally but also allowing, particularly, school groups, to fulfil educational requirements arising from the national curriculum.

B) The benefit for the public can be illustrated as follows:

1. In the year ended 31st December 2022, there were approx. 25,105 users (mainly children and young people) who visited Lodge Hill.
2. Many of these users were young people that took part in activities organised by the outdoor instructors during the period.

The Trust has made it a particular priority to ensure that the centre's facilities are available for disabled users.

Achievements and performance

a. Chairman's Report

2022 saw the busiest year ever at Lodge Hill. Being our first full year of operations after the constraints of the pandemic, we were delighted to see so many children, young people and adults return to our wonderful centre.

Looking ahead to secure our long term future, we were extremely pleased that the land sale planning application was approved by the South Downs National Park Planning Authority and the sale of that piece of land was able to commence. The proceeds of the sale will enable full refurbishment and future development of our 32 acre site for generations to come.

Our core business remains schools in a day visit or residential capacity. We have a strong and ever growing relationship with West Sussex County Council and are one of their preferred providers of activities for family groups with a disabled child or young person. The ChallengeU programme for young people that have offended, are at risk of offending or have disengaged with society or education is becoming an increasing influence on our overall offering at Lodge Hill and the need increases with much younger young people requiring intervention and support than we had anticipated. The centre is licensed for weddings, and we have a unique offering for those wishing to share their special day at Lodge Hill. We have great conference facilities to host meetings, corporate events and presentations that add additional income streams to support our core work of supporting children and young people to thrive.

The centre would not be the success it is without the hard work and dedication of the superb Lodge Hill team guided by Lisa May, our dedicated CEO and the hours of voluntary work carried out by our highly motivated Trustees. We are incredibly lucky to receive wide ranging support from generous funders, sponsors and donors. Our President, Patrons and Company Members have played a significant role in the development and success of Lodge Hill through their continued support. Looking forward, it is exciting to see a new team bond and drive Lodge Hill to a different level.

2023 will hopefully be (without any interruptions), our busiest year yet. I look forward to sharing this with you next year.

Development plan

In developing our business plan, we recognised that the challenge for Lodge Hill was to become a viable and accessible, high-class provider of choice for users from West Sussex and beyond requiring outdoor activities, residential trips and day meetings/conferences, thus enabling the Trust to remain financially sustainable. We reaffirmed the Trust's mission to target a wide range of groups and individuals, including those with physical disabilities, mental health or learning difficulties and young offenders. The business plan identified that in order to achieve this challenge the Trust would need to:

1. Maintain financial sustainability whilst ensuring Lodge Hill provides best value for money for young people

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2022

2. Maintain a professional and committed staff team
3. Maximise the use of facilities and establish on-going communications with key players and supporters
4. Maintain the centre and its facilities to a high standard and plan appropriate improvements
5. Establish joint initiatives with recognised partners and targeted funding.

b. Key performance indicators

The principal indicators of performance are financial reporting of current results compared to the budget numbers and previous years. The budget is formally adopted at a meeting of Trustees at the start of the year. Financial reports are prepared by the Accounts Manager and considered in detail by the Finance Committee four times per year. They are presented and discussed by the full board of trustees at each of their meetings. Client satisfaction and statistics of repeat bookings are also considered as performance indicators.

c. Events since the balance sheet date

As expected, we have returned to full operation in 2022. Bookings are buoyant for the rest of 2022 and forward into 2023 and 2024. We have taken bookings from new customers for residential and activity days who would previously have visited other centers further afield.

At the time of writing the Trust has not utilised the CAF loan it took out as a safeguard when the pandemic began.

d. Investment policy

The Trust has unrestricted authority to invest its funds in the furtherance of its charitable objectives. A proportion of retained reserves is held in the form of listed investments. It is the Trust's policy to have these managed by an independent investment manager under a discretionary mandate requiring a mix of equity and fixed income investments. Although the Trust has not adopted a specific ethical policy, they have instructed the investment manager that they should refrain from investing in companies that undertake activities that are incompatible with the aims and objectives of Lodge Hill. The trustees review the performance of the investment manager periodically and consider the returns achieved to date to have been satisfactory.

Financial review

a. Financial review

2022 has been our first full year's operation after the restrictions and lock downs of the pandemic. Bookings were extremely buoyant for schools and we delivered a higher level of SEND provision in partnership with WSCC. Our Alternative Provision sessions have been in great demand and POM funding has enabled us to increase delivery. Costs have remained largely stable but we have identified some savings in staffing due to operational and strategic planning. Some vital maintenance works were completed during the year while other works will be undertaken once the land sale funds have been received at some point during 2023.

b. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

c. Reserves policy

The Trustees review the level of reserves regularly. Reserves are a key element of financial stability and allow the Trust to cope with the fluctuating nature and timing of cash flows. Reserves allow the Trust to deal with unexpected expenditure or changes in income and give time for appropriate action to be taken.

The total funds at the year-end were £2,115,862 (2021: £2,166,422). Of this total, £2,048,283 (2021: £2,101,037) is designated as follows:

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2022

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The Continuity reserve is the balance of the current asset investments' value.

Structure, governance and management

a. Constitution

Lodge Hill Trust (the charity or the Trust) is a private company limited by guarantee under registered number 03590104, and a registered charity under charity number 1071041. It was incorporated on 30th June 1998 in the United Kingdom. The charity is governed by its Memorandum and Articles of Association.

b. Methods of appointment or election of Trustees

New trustees are recruited primarily by utilising the knowledge of the existing trustees who have a wide network of contacts in the voluntary and business communities in West Sussex. Potential trustees visit Lodge Hill and meet with the chairman and at least one other trustee. They are provided with background papers and receive a detailed briefing. If both sides feel that they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following the meeting a decision is made on whether to invite the individual to become a trustee.

When seeking new trustees Lodge Hill looks for:-

Compatibility with the charity's values, aims and way of working.

Availability to attend meetings, support activities, work on sub-committees, interact with staff and to encourage supporters.

An enduring enthusiasm for the charity's objectives.

An ability to establish priorities and to make logical decisions.

They must be able to contribute effectively, to have listening skills and must have a willingness to share responsibilities.

While specialist expertise is not a pre-requisite, new trustees should enrich the diversity of the board.

Trustees must possess independence of mind and have the skill to challenge constructively, and be capable of and have experience of strategic thinking at board level. All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activity of Lodge Hill.

c. Organisational structure and decision-making policies

The trustees meet as a board on at least four occasions during the year. Closer involvement in the charity's activities is maintained by appropriate committees of trustees, staff, users and professional advisers. Each committee reports to the board and is chaired by a trustee. Committees that were in place in 2022 were:

Premises
Finance
Health and Safety
Marketing
Vision

The day-to-day activities have been directed by the Chief Executive, Lisa May, who works closely with the chairman of the Trustees. She is supported by her management team.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2022

Wider network

Lodge Hill works with a wide range of youth and community organisations but does not have formal links with any wider network.

d. Pay policy for senior staff

The Finance Committee together with the Chairperson meet in December to consider salaries for key staff to be applied in the following financial year. The Committee consider proposals from the Chief Executive which take into account prevailing rates of pay in the local area together with any change in responsibilities. The Committee also consider the remuneration of the Chief Executive.

e. Related party relationships

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

The Trust owns the issued share capital of Lodge Hill Services Limited. This company is dormant and has not traded during the current financial year.

f. Financial risk management

The Trustees consider the risks faced by the Trust at a special meeting at the year end and also consider measures to reduce their likelihood and impact.

Sudden loss of income is the principle concern either from changes in the market which could reduce the capacity of the trust's clients to fund their visits or from damage to the facilities. The former risk is countered by sustained, targeted marketing and efforts to increase the breadth of its user groups. Risks to the facility are countered by careful management and an awareness of risks in the day to day operations.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they 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 income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr Matthew Wykes, DipPFS

Date: 04-07-23

Lodge Hill Trust
(A company limited by guarantee)

Independent examiner's report
For the year ended 31 December 2022

Independent examiner's report to the Trustees of Lodge Hill Trust ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

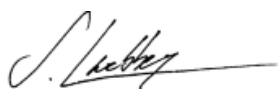
Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.



Signed:

Dated: 14 July 2023

Simon Webber BA (Hons), DChA, FCA

Kreston Reeves LLP
Chartered Accountants
Chichester

Lodge Hill Trust

(A company limited by guarantee)

**Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2022**

	Note	Unrestricted funds		Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
		General funds 2022 £	Designated funds 2022 £			
Income from:						
Donations and legacies	4	252	-	43,729	43,981	219,274
Charitable activities	5	639,804	-	-	639,804	395,629
Investments	6	2,830	-	-	2,830	1,392
Other income	7	25,675	-	-	25,675	25,373
Total income		668,561	-	43,729	712,290	641,668
Expenditure on:						
Charitable activities	8	581,251	44,483	128,845	754,579	628,482
Total expenditure		581,251	44,483	128,845	754,579	628,482
Net gains on investments		-	(8,271)	-	(8,271)	7,146
Net (expenditure)/income		87,310	(52,754)	(85,116)	(50,560)	20,332
Transfers between funds		-	-	-	-	-
Net movement in funds		87,310	(52,754)	(85,116)	(50,560)	20,332
Reconciliation of funds:						
Total funds brought forward		(28,248)	2,101,037	93,633	2,166,422	2,146,090
Net movement in funds		87,310	(52,754)	(85,116)	(50,560)	20,332
Total funds carried forward		59,062	2,048,283	8,517	2,115,862	2,166,422

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)
Registered number: 03590104

Balance sheet
As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	1,975,152	2,019,635
		1,975,152	2,019,635
Current assets			
Stocks	13	5,187	3,501
Debtors	14	22,757	44,755
Investments	15	73,130	81,401
Cash at bank and in hand		238,701	270,089
		339,775	399,746
Creditors: amounts falling due within one year	16	(67,265)	(99,764)
Net current assets		272,510	299,982
Total assets less current liabilities		2,247,662	2,319,617
Creditors: amounts falling due after more than one year	17	(131,800)	(153,195)
Net assets excluding pension asset		2,115,862	2,166,422
Total net assets		2,115,862	2,166,422
Charity funds			
Restricted funds	18	8,517	93,633
Unrestricted funds			
Designated funds	18	2,048,283	2,101,037
General funds	18	59,062	(28,248)
Total unrestricted funds	18	2,107,345	2,072,789
Total funds		2,115,862	2,166,422

Lodge Hill Trust

(A company limited by guarantee)

Registered number: 03590104

Balance sheet (continued)

As at 31 December 2022

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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



Mr Matthew Wykes, DipPFS

Date: 04-07-23

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(24,830)	28,190
Cash flows from investing activities		
Dividends, interests and rents from investments	2,830	1,392
Net cash provided by investing activities	2,830	1,392
Cash flows from financing activities		
Repayments of borrowing	(9,388)	(3,912)
Net cash used in financing activities	(9,388)	(3,912)
Change in cash and cash equivalents in the year	(31,388)	25,670
Cash and cash equivalents at the beginning of the year	270,089	244,419
Cash and cash equivalents at the end of the year	238,701	270,089

The notes on pages 14 to 33 form part of these financial statements

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

1. General information

Lodge Hill Trust is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of its registered office is:

Lodge Hill
Watersfield
Pulborough
West Sussex
RH20 1LZ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lodge Hill Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held 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.

Notes to the financial statements
For the year ended 31 December 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Notes to the financial statements
For the year ended 31 December 2022

2. Accounting policies (continued)

2.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following bases.

Depreciation is provided on the following bases:

Freehold property, meeting hall and campsite	- 2 - 5% straight line
Kitchen, campsite and outdoor equipment	- 10 - 25% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 25% straight line

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements
For the year ended 31 December 2022

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The company 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.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

In the past the company operated a defined benefits pension scheme for former employees. The scheme is a multi employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the financial statements
For the year ended 31 December 2022

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Multi-employer defined benefit pension scheme:

Certain former employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgement of the trustees, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see pension note for further details

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations - Individuals	252	1,079	1,331	15,105
Donations - Trusts	-	38,650	38,650	37,000
Donations - Others	-	-	-	23
Local authority grants	-	4,000	4,000	72,556
CJRS grant	-	-	-	94,590
	<u>252</u>	<u>43,729</u>	<u>43,981</u>	<u>219,274</u>
Total 2021	<u>110,718</u>	<u>108,556</u>	<u>219,274</u>	

Income from donations and legacies for 2021 was £110,718 of unrestricted income and £108,556 of restricted income.

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Residential and other charges	324,786	324,786	153,159
Day conferences	43,653	43,653	26,751
Activities	258,112	258,112	206,555
Campsite hire	13,253	13,253	9,164
Total 2022	<u>639,804</u>	<u>639,804</u>	<u>395,629</u>
Total 2021	<u>395,629</u>	<u>395,629</u>	

Income from charitable activities for 2021 was £395,629 of unrestricted income and £nil of restricted income.

Notes to the financial statements
For the year ended 31 December 2022

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
UK quoted investments	1,682	1,682	1,363
UK bank accounts	1,148	1,148	29
	<u>2,830</u>	<u>2,830</u>	<u>1,392</u>
	<u>1,392</u>	<u>1,392</u>	
Total 2021			

Investment income for 2021 was £1,392 of unrestricted income and £nil of restricted income.

7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Phone mast income	15,201	15,201	15,455
Rental income	5,674	5,674	5,418
Staff accommodation income	4,800	4,800	4,500
	<u>25,675</u>	<u>25,675</u>	<u>25,373</u>
	<u>25,373</u>	<u>25,373</u>	
Total 2021			

Other incoming resources for 2021 was £25,373 of unrestricted income and £nil of restricted income.

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Activities	714,046	40,533	754,579	628,482
	<u>618,773</u>	<u>9,709</u>	<u>628,482</u>	
Total 2021				

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	431,591	431,591	365,508
Staff training and welfare	15,544	15,544	5,062
Activities expenses	28,655	28,655	26,981
Cleaning and laundry	2,222	2,222	1,452
Course expenses	-	-	25
Domestic services	39,302	39,302	17,178
Equipment purchased	810	810	-
Instructors	8,245	8,245	3,551
Uniform	1,331	1,331	1,149
Insurance	16,914	16,914	14,385
Light and heat	41,742	41,742	28,850
Motor and travel	3,491	3,491	5,551
Printing, postage and stationery	2,578	2,578	2,114
Rates	2,322	2,322	8,097
Depreciation	44,483	44,483	47,400
Repairs and maintenance	62,349	62,349	76,860
Telephone	4,850	4,850	4,448
Sundry expenses	1,018	1,018	788
Interest	6,599	6,599	9,374
	714,046	714,046	618,773
Total 2021	618,773	618,773	

Notes to the financial statements
For the year ended 31 December 2022

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff training and welfare	1,346	1,346	1,105
Legal and professional	1,520	1,520	35
Activities expenses	910	910	945
Land sale expenses	30,417	30,417	-
Governance costs	6,340	6,340	7,624
	<u>40,533</u>	<u>40,533</u>	<u>9,709</u>
Total 2021	<u>9,709</u>	<u>9,709</u>	

Governance costs comprise of independent examination fees of £3,600 (2021: £3,600) and other accountancy fees of £3,369 (2021: £4,024).

9. Independent examiner's remuneration

	2022 £	2021 £
Fees payable to the company's independent examiner for the independent examination of the company's annual accounts	3,700	3,600
Fees payable to the company's independent examiner in respect of: All other services not included above	<u>2,640</u>	<u>4,024</u>

10. Staff costs

	2022 £	2021 £
Wages and salaries	400,050	340,261
Social security costs	27,091	21,917
Pension costs	4,450	3,330
	<u>431,591</u>	<u>365,508</u>

Notes to the financial statements
For the year ended 31 December 2022

10. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2022	2021
	No.	No.
Full and part time staff	38	33

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
	No.	No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-

Details of key management personnel can be found on the information page. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for the services to the charity were £184,825 (2021: £157,484).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

12. Tangible fixed assets

	Freehold property, meeting hall and campsite £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2022	2,701,242	342,722	3,043,964
At 31 December 2022	2,701,242	342,722	3,043,964
Depreciation			
At 1 January 2022	714,058	310,271	1,024,329
Charge for the year	37,455	7,028	44,483
At 31 December 2022	751,513	317,299	1,068,812
Net book value			
At 31 December 2022	1,949,729	25,423	1,975,152
At 31 December 2021	1,987,184	32,451	2,019,635

The net book value of assets held under finance leases or high purchase contracts, included above, is £17,698 (2021: £22,122).

13. Stocks

	2022 £	2021 £
Catering	3,139	2,270
Finished goods and goods for resale	2,048	1,231
	5,187	3,501

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	18,651	38,895
Prepayments and accrued income	4,106	5,860
	<u>22,757</u>	<u>44,755</u>

15. Current asset investments

	2022 £	2021 £
Listed investments	72,751	81,022
Unlisted investments	379	379
	<u>73,130</u>	<u>81,401</u>

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	10,919	10,437
Trade creditors	8,024	14,405
Other taxation and social security	15,918	17,248
Obligations under finance lease and hire purchase contracts	8,900	9,440
Other creditors	2,627	2,549
Accruals and deferred income	20,877	45,685
	<u>67,265</u>	<u>99,764</u>

	2022 £	2021 £
Deferred income at 1 January 2022	40,260	12,924
Resources deferred during the year	15,457	40,260
Amounts released from previous periods	(40,260)	(12,924)
	<u>15,457</u>	<u>40,260</u>

Deferred income comprises of phone mast income £15,201 (2021: £15,201), rental income of £256 (2021: £256) and activities income of £nil (2021: £24,803).

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

17. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	125,781	135,651
Net obligations under finance lease and hire purchase contracts	3,087	11,986
Other creditors	2,932	5,558
	131,800	153,195

A Bank loan of £100,000, included in creditors falling due after more than one year, is secured by a fixed charge over the tangible fixed assets of the Charity.

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
Fixed asset fund	2,019,636	-	(44,483)	-	1,975,153
Continuity reserve	81,401	-	-	(8,271)	73,130
	<u>2,101,037</u>	<u>-</u>	<u>(44,483)</u>	<u>(8,271)</u>	<u>2,048,283</u>
General funds					
General Fund	(28,248)	668,561	(581,251)	-	59,062
	<u>(28,248)</u>	<u>668,561</u>	<u>(581,251)</u>	<u>-</u>	<u>59,062</u>
Total Unrestricted funds	<u>2,072,789</u>	<u>668,561</u>	<u>(625,734)</u>	<u>(8,271)</u>	<u>2,107,345</u>
Restricted funds					
Tennis court	1,838	-	-	-	1,838
Rank foundation	820	-	(820)	-	-
Sno-tubing	899	-	(899)	-	-
Adapted golf buggy	2,410	-	-	-	2,410
ChallengeU	21,451	39,729	(59,340)	-	1,840
Small restricted funds	2,642	-	(67)	-	2,575
In memory of P Hardwick	430	-	(430)	-	-
The Vision Project- Phase 2	53,076	-	-	-	53,076
20th Anniversary	5,094	-	-	-	5,094
We Cycle Too	1,500	-	-	-	1,500
Kayaks	2,704	-	(2,704)	-	-
Telescope	269	-	(269)	-	-
Christmas pudding concert	500	-	(500)	-	-
Covid relief grants	-	4,000	(4,000)	-	-
LH Refurbishment	-	-	(59,816)	-	(59,816)
	<u>93,633</u>	<u>43,729</u>	<u>(128,845)</u>	<u>-</u>	<u>8,517</u>
Total of funds	<u>2,166,422</u>	<u>712,290</u>	<u>(754,579)</u>	<u>(8,271)</u>	<u>2,115,862</u>

Notes to the financial statements
For the year ended 31 December 2022

18. Statement of funds (continued)

Designated funds:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value. The Continuity reserve is the balance of the current asset investments' value.

General funds:

The trustees have considered the deficit in the general fund and consider this to be temporary, and have therefore not considered it necessary to draw down on the continuity fund. The trustees will review this position in future years, should the situation change.

Restricted funds:

Tennis court - funds received to cover the costs of building and maintaining the tennis court.

Rank foundation - funds received to cover the costs of a students living and general expenses whilst completing an apprenticeship at Lodge Hill.

Sno tubing funds - received to cover the costs of building and maintaining the sno tubing activity.

Golf buggy - funds received toward the costs of an adapted golf buggy which will be purchased once sufficient funds have been raised.

ChallengeU funds - received to cover certain staffing costs of the ChallengeU project.

The Vision Project - funds received in relation to the refurbishment and extension of the kitchen, dining and residential facilities in order to accommodate the increasingly larger groups wishing to visit Lodge Hill. Funds were received from many donors, including but not limited to: Individual donations, Garfield Weston, Bradbury Foundation, ACT Foundation, Ernest Kleinwort Charitable Trust, Edward Gosling Foundation, Foyle Foundation, Hobsons Charity, Beatrice Laing Foundation and Bassil Shippham and Alsford Trust. Upon expenditure of the restricted income received into this fund, on capital items within the restriction, the fund balance is transferred to the designated fixed asset fund, as it is no longer available for expenditure.

In memory of P Hardwick - funds received in memory of the late President, Penny Hardwick. These funds are being applied to the Vision Project which she fully supported.

20th Anniversary - Lodge Hill has successfully raised funds to install a bespoke disability suite with adjacent carers bedroom and en-suite on the ground floor of Hardwick Hall. Lodge Hill now needs to raise £3,000 for soft furnishings, an intercom system and equipment to make the suite comfortable and homely for future visitors.

We Cycle Too - This donation was made to maintain the Disability Bikes which were gifted to Lodge Hill in 2018.

Kayaks - This funding was given by the Hedley Foundation for the purchase of Kayaks and equipment.

Telescore - These funds were donated by the Rotary Club of Storrington and Pulborough District for the purchase of a telescope and training for delivery of sessions.

Christmas Pudding Concert - This funding was raised to be used for the fixtures and fittings for the Disability Suite, when complete.

Covid relief grants - Received to contribute toward core costs and essential staffing throughout the period the Centre was closed due to the pandemic restrictions.

LH Refurbishment - These funds are restricted from the proceeds of the land sale for the ongoing upgrading, maintenance and refurbishment of the Lodge Hill site.

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Designated funds					
Fixed asset fund	2,067,034	-	(47,400)	-	2,019,634
Continuity reserve	74,257	-	-	7,146	81,403
	<u>2,141,291</u>	<u>-</u>	<u>(47,400)</u>	<u>7,146</u>	<u>2,101,037</u>
 General Fund	 (121,838)	 533,112	 (439,522)	 -	 (28,248)
	<u>2,019,453</u>	<u>533,112</u>	<u>(486,922)</u>	<u>7,146</u>	<u>2,072,789</u>
 Restricted funds					
Tennis court	1,838	-	-	-	1,838
Rank foundation	820	-	-	-	820
Sno-tubing	899	-	-	-	899
Adapted golf buggy	2,410	-	-	-	2,410
ChallengeU	50,851	36,000	(65,400)	-	21,451
Small restricted funds	2,773	-	(131)	-	2,642
In memory of P Hardwick	430	-	-	-	430
The Vision Project- Phase 2	56,549	-	(3,473)	-	53,076
20th Anniversary	5,094	-	-	-	5,094
We Cycle Too	1,500	-	-	-	1,500
Kayaks	2,704	-	-	-	2,704
Telescope	269	-	-	-	269
Christmas pudding concert	500	-	-	-	500
Covid relief grants	-	72,556	(72,556)	-	-
	<u>126,637</u>	<u>108,556</u>	<u>(141,560)</u>	<u>-</u>	<u>93,633</u>
 Total of funds	 <u>2,146,090</u>	 <u>641,668</u>	 <u>(628,482)</u>	 <u>7,146</u>	 <u>2,166,422</u>

Notes to the financial statements
For the year ended 31 December 2022

18. Statement of funds (continued)

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,975,152	-	1,975,152
Current assets	331,258	8,517	339,775
Creditors due within one year	(67,265)	-	(67,265)
Creditors due in more than one year	(131,800)	-	(131,800)
Total	2,107,345	8,517	2,115,862

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,019,635	-	2,019,635
Current assets	306,113	93,633	399,746
Creditors due within one year	(99,764)	-	(99,764)
Creditors due in more than one year	(153,195)	-	(153,195)
Total	2,072,789	93,633	2,166,422

Notes to the financial statements
For the year ended 31 December 2022

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(50,560)	20,332
Adjustments for:		
Depreciation charges	44,483	47,400
(Gains)/losses on investments	8,271	(7,146)
Dividends, interests and rents from investments	(2,830)	(1,392)
Increase in stocks	(1,686)	(752)
Decrease/(increase) in debtors	21,998	(41,528)
Increase/(decrease) in creditors	(44,506)	11,276
Net cash provided by/(used in) operating activities	(24,830)	28,190

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	238,701	270,089
Total cash and cash equivalents	238,701	270,089

22. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	Finance leases £	At 31 December 2022 £
Cash at bank and in hand	270,089	(24,522)	(6,866)	238,701
Debt due within 1 year	(10,437)	(482)	-	(10,919)
Debt due after 1 year	(135,651)	9,870	-	(125,781)
Finance leases	(21,426)	-	9,439	(11,987)
Liquid investments	81,401	(8,271)	-	73,130
	183,976	(23,405)	2,573	163,144

Notes to the financial statements
For the year ended 31 December 2022

23. Pension commitments

Defined contribution scheme:

For current employees, Lodge Hill Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charged to the statement of financial activities represents contributions payable by the charity to the fund and amounted to £4,691 (2021: £2,271). There were outstanding contributions at the balance sheet date of £nil. (2021: £nil).

Multi employer defined benefit pension scheme:

For certain former employees, Lodge Hill Trust participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Plan is a multi employer defined pension plan. The charity's eligible employees are auto enrolled into the pension scheme with The Pensions Trust.

The Plan is a multi employer scheme where the plan assets are co-mingled for investment purposes, and benefits are paid from the total Plan assets. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the underlying assets and liabilities belonging to the individual participating employers. Due to the nature of the Plan, the accounting charge for the year under FRS102 represents the employer contribution payable.

The rules of the Plan give the Trustees the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as technical provisions.

If the actuarial valuation reveals a deficit, the Trustees will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

The total employer contribution made for the year ended 31 December 2022 was £2,092 (2021: £3,208). The agreed normal contribution rates for future years are 3% for the employer and 5% for the employees. At the year end there were outstanding contributions of £nil (2021: £nil). As at the balance sheet date there were 0 active members of the Plan employed by Lodge Hill Trust.

Actuarial valuations are carried out every three years for funding purposes using the projected unit method. The funding position is calculated by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The most recent valuation available results are as at 30 September 2017. The market value of the Plan's assets at the valuation date was £796 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £132 million, equivalent to a funding level of 86%.

Regulations require the Trustee to set a prudent basis for valuing the Scheme's benefits, taking into account the strength of the employers' covenant and the Scheme Actuary's advice. The Trustee is also required to consult with employers or their representative. The Growth Plan Employer Consultative Group (GPECG), which acts as the employers' representative for the purposes of Scheme funding, have been consulted on the valuation basis and assumptions. The value of the liabilities on this on going basis is

Notes to the financial statements
For the year ended 31 December 2022

23. Pension commitments (continued)

known as the Technical Provisions.

Where a Scheme's assets are less than the Technical Provisions a recovery plan must be put in place to show how the deficit can be eliminated over a fixed period. The recovery plan must be submitted to The Pensions Regulator who may investigate schemes and require changes where the Technical Provisions are set at too low a level or where the recovery period is too long. The recovery plan for the Growth Plan aims to eliminate the deficit via a combination of additional contributions from employers and investment returns. The results of the 30 September 2015 valuation showed a reduction of eight months in the length of the recovery plan, which will now end on 31 January 2025 instead of 30 September 2025.

Under FRS 102 the amount of additional contributions for Lodge Hill Trust in the period to 31 January 2025 have been included as a liability in the accounts.

24. Operating lease commitments

At 31 December 2022 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	-	4,202
	<u> </u>	<u> </u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2022 £	2021 £
Operating lease rentals	-	4,584
	<u> </u>	<u> </u>

25. Related party transactions

There were no transactions with related parties in the year (2021: £nil).

26. Controlling party

The company is controlled on a day to day basis by the trustees who are the directors of the company.

27. Supporters of Lodge Hill

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

Registered number: 03590104
Charity number: 1071041

Lodge Hill Trust
(A company limited by guarantee)

Unaudited

Trustees' report and financial statements

For the year ended 31 December 2022

Lodge Hill Trust
(A company limited by guarantee)

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Lodge Hill Trust
(A company limited by guarantee)

Reference and administrative details of the company, its Trustees and advisers
For the year ended 31 December 2022

Trustees

Mr Matthew Wykes, DipPFS, Chairman
Mr Guy Nelson, MA (Ed); NPQH
Mr Richard Whittaker
Ms Penny Barnes
Ms Shirley Robinson-Viney (resigned 13 July 2022)
Mr Jack Marriott (appointed 13 September 2022)

Company registered number

03590104

Charity registered number

1071041

Registered office

Lodge Hill, Watersfield, Pulborough, West Sussex, RH20 1LZ

Company secretary

Shirley Robinson-Viney (resigned 13 July 2022)

President

Col. Sir Brian Barttelot, Bt; OBE; DL

Accountants

Kreston Reeves LLP, 9 Donnington Park, 85 Birdham Road, Chichester, West Sussex, PO20 7AJ

Bankers

CAF Bank Ltd, Kings Hill, West Malling, Kent, ME19 4JQ

Solicitors

Miller Parris, Broadwater, Worthing, West Sussex, BN14 8JB

Investment advisors

Waverton Investment Management Ltd, 16 Babmaes Street, London, SW1Y 6AH

Key Management Personnel

Lisa May BSc (Hons); Dip HSW, Chief Executive Officer
Katie Collet, BSc (Hons), Finance and Operations Manager
Claire Harrison, BSc, MHCIMA, Chef Manager (resigned 08 August 2022)
Claire Sumner, Chef Manager (appointed 08 August 2022)
Matthew Brown, Lead Activities Instructor (resigned 18 July 2022)
Darren Worsfold, Activities Manager (appointed 01 November 2022)

Lodge Hill Trust

(A company limited by guarantee)

Reference and administrative details of the company, its Trustees and advisers (continued)
For the year ended 31 December 2022

Patrons

Mrs Susan Pyper (Lord Lieutenant of West Sussex)

Col. Sir Brian Barttelot, Bt; OBE; DL

The Lord Dholakia, OBE;DL

Sylvia Countess of Limerick, CBE

Ms Jennifer Hardwick (appointed 03 November 2022)

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2022

The Trustees present their annual report together with the financial statements of the company for the 1 January 2022 to 31 December 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objectives and aims

The aim and purpose of the Trust is to ensure that the young people and others of West Sussex and beyond enjoy the educational benefits available at the Centre.

The objects of the Trust set this out as:

- 1) The advancement of the education of young people, primarily those resident in the county of West Sussex, by helping them to develop their mental and physical capacities that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved.
- 2) The provisions of facilities for the further education of adults, primarily those resident in the county of West Sussex.

b. Charitable activities

Under the Charities Act 2006, the trustees are required to report on how the Trust has carried out its aims for the public benefit.

The Trust's objects are set out in the Memorandum of Association and include particularly the advancement of the education of young people and the provision of the facilities for the further education of adults.

The Charity Commission has set out 2 key principles of public benefit, being that there must be identifiable benefits which are related to the Trust's aims and that the benefit must be for the public or a section of the public.

A) Identifiable benefits related to the objects of the Trust include the following:

1. Provision of Facilities

The 32-acre site at Lodge Hill includes a camp site, residential accommodation, outdoor activities and meeting and conference facilities.

2. Giving an education

The Trust's employees include instructors who are trained in the use of all the facilities at the site enabling all the users to be educated in their use. The instructors are not only able to teach users how to achieve personal targets but also, very importantly, how to achieve those targets as a part of a group or team. The Trust achieved accreditation with "Learning Outside the Classroom".

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2022

3. Preserving the environment

The Trust's 32 acre site is mainly woodland which is maintained by the Trust's employees for the benefit of all the users generally but also allowing, particularly, school groups, to fulfil educational requirements arising from the national curriculum.

B) The benefit for the public can be illustrated as follows:

1. In the year ended 31st December 2022, there were approx. 25,105 users (mainly children and young people) who visited Lodge Hill.
2. Many of these users were young people that took part in activities organised by the outdoor instructors during the period.

The Trust has made it a particular priority to ensure that the centre's facilities are available for disabled users.

Achievements and performance

a. Chairman's Report

2022 saw the busiest year ever at Lodge Hill. Being our first full year of operations after the constraints of the pandemic, we were delighted to see so many children, young people and adults return to our wonderful centre.

Looking ahead to secure our long term future, we were extremely pleased that the land sale planning application was approved by the South Downs National Park Planning Authority and the sale of that piece of land was able to commence. The proceeds of the sale will enable full refurbishment and future development of our 32 acre site for generations to come.

Our core business remains schools in a day visit or residential capacity. We have a strong and ever growing relationship with West Sussex County Council and are one of their preferred providers of activities for family groups with a disabled child or young person. The ChallengeU programme for young people that have offended, are at risk of offending or have disengaged with society or education is becoming an increasing influence on our overall offering at Lodge Hill and the need increases with much younger young people requiring intervention and support than we had anticipated. The centre is licensed for weddings, and we have a unique offering for those wishing to share their special day at Lodge Hill. We have great conference facilities to host meetings, corporate events and presentations that add additional income streams to support our core work of supporting children and young people to thrive.

The centre would not be the success it is without the hard work and dedication of the superb Lodge Hill team guided by Lisa May, our dedicated CEO and the hours of voluntary work carried out by our highly motivated Trustees. We are incredibly lucky to receive wide ranging support from generous funders, sponsors and donors. Our President, Patrons and Company Members have played a significant role in the development and success of Lodge Hill through their continued support. Looking forward, it is exciting to see a new team bond and drive Lodge Hill to a different level.

2023 will hopefully be (without any interruptions), our busiest year yet. I look forward to sharing this with you next year.

Development plan

In developing our business plan, we recognised that the challenge for Lodge Hill was to become a viable and accessible, high-class provider of choice for users from West Sussex and beyond requiring outdoor activities, residential trips and day meetings/conferences, thus enabling the Trust to remain financially sustainable. We reaffirmed the Trust's mission to target a wide range of groups and individuals, including those with physical disabilities, mental health or learning difficulties and young offenders. The business plan identified that in order to achieve this challenge the Trust would need to:

1. Maintain financial sustainability whilst ensuring Lodge Hill provides best value for money for young people

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2022

2. Maintain a professional and committed staff team
3. Maximise the use of facilities and establish on-going communications with key players and supporters
4. Maintain the centre and its facilities to a high standard and plan appropriate improvements
5. Establish joint initiatives with recognised partners and targeted funding.

b. Key performance indicators

The principal indicators of performance are financial reporting of current results compared to the budget numbers and previous years. The budget is formally adopted at a meeting of Trustees at the start of the year. Financial reports are prepared by the Accounts Manager and considered in detail by the Finance Committee four times per year. They are presented and discussed by the full board of trustees at each of their meetings. Client satisfaction and statistics of repeat bookings are also considered as performance indicators.

c. Events since the balance sheet date

As expected, we have returned to full operation in 2022. Bookings are buoyant for the rest of 2022 and forward into 2023 and 2024. We have taken bookings from new customers for residential and activity days who would previously have visited other centers further afield.

At the time of writing the Trust has not utilised the CAF loan it took out as a safeguard when the pandemic began.

d. Investment policy

The Trust has unrestricted authority to invest its funds in the furtherance of its charitable objectives. A proportion of retained reserves is held in the form of listed investments. It is the Trust's policy to have these managed by an independent investment manager under a discretionary mandate requiring a mix of equity and fixed income investments. Although the Trust has not adopted a specific ethical policy, they have instructed the investment manager that they should refrain from investing in companies that undertake activities that are incompatible with the aims and objectives of Lodge Hill. The trustees review the performance of the investment manager periodically and consider the returns achieved to date to have been satisfactory.

Financial review

a. Financial review

2022 has been our first full year's operation after the restrictions and lock downs of the pandemic. Bookings were extremely buoyant for schools and we delivered a higher level of SEND provision in partnership with WSCC. Our Alternative Provision sessions have been in great demand and POM funding has enabled us to increase delivery. Costs have remained largely stable but we have identified some savings in staffing due to operational and strategic planning. Some vital maintenance works were completed during the year while other works will be undertaken once the land sale funds have been received at some point during 2023.

b. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

c. Reserves policy

The Trustees review the level of reserves regularly. Reserves are a key element of financial stability and allow the Trust to cope with the fluctuating nature and timing of cash flows. Reserves allow the Trust to deal with unexpected expenditure or changes in income and give time for appropriate action to be taken.

The total funds at the year-end were £2,115,862 (2021: £2,166,422). Of this total, £2,048,283 (2021: £2,101,037) is designated as follows:

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2022

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The Continuity reserve is the balance of the current asset investments' value.

Structure, governance and management

a. Constitution

Lodge Hill Trust (the charity or the Trust) is a private company limited by guarantee under registered number 03590104, and a registered charity under charity number 1071041. It was incorporated on 30th June 1998 in the United Kingdom. The charity is governed by its Memorandum and Articles of Association.

b. Methods of appointment or election of Trustees

New trustees are recruited primarily by utilising the knowledge of the existing trustees who have a wide network of contacts in the voluntary and business communities in West Sussex. Potential trustees visit Lodge Hill and meet with the chairman and at least one other trustee. They are provided with background papers and receive a detailed briefing. If both sides feel that they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following the meeting a decision is made on whether to invite the individual to become a trustee.

When seeking new trustees Lodge Hill looks for:-

Compatibility with the charity's values, aims and way of working.

Availability to attend meetings, support activities, work on sub-committees, interact with staff and to encourage supporters.

An enduring enthusiasm for the charity's objectives.

An ability to establish priorities and to make logical decisions.

They must be able to contribute effectively, to have listening skills and must have a willingness to share responsibilities.

While specialist expertise is not a pre-requisite, new trustees should enrich the diversity of the board.

Trustees must possess independence of mind and have the skill to challenge constructively, and be capable of and have experience of strategic thinking at board level. All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activity of Lodge Hill.

c. Organisational structure and decision-making policies

The trustees meet as a board on at least four occasions during the year. Closer involvement in the charity's activities is maintained by appropriate committees of trustees, staff, users and professional advisers. Each committee reports to the board and is chaired by a trustee. Committees that were in place in 2022 were:

Premises
Finance
Health and Safety
Marketing
Vision

The day-to-day activities have been directed by the Chief Executive, Lisa May, who works closely with the chairman of the Trustees. She is supported by her management team.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2022

Wider network

Lodge Hill works with a wide range of youth and community organisations but does not have formal links with any wider network.

d. Pay policy for senior staff

The Finance Committee together with the Chairperson meet in December to consider salaries for key staff to be applied in the following financial year. The Committee consider proposals from the Chief Executive which take into account prevailing rates of pay in the local area together with any change in responsibilities. The Committee also consider the remuneration of the Chief Executive.

e. Related party relationships

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

The Trust owns the issued share capital of Lodge Hill Services Limited. This company is dormant and has not traded during the current financial year.

f. Financial risk management

The Trustees consider the risks faced by the Trust at a special meeting at the year end and also consider measures to reduce their likelihood and impact.

Sudden loss of income is the principle concern either from changes in the market which could reduce the capacity of the trust's clients to fund their visits or from damage to the facilities. The former risk is countered by sustained, targeted marketing and efforts to increase the breadth of its user groups. Risks to the facility are countered by careful management and an awareness of risks in the day to day operations.

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they 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 income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr Matthew Wykes, DipPFS

Date: 04-07-23

Lodge Hill Trust
(A company limited by guarantee)

Independent examiner's report
For the year ended 31 December 2022

Independent examiner's report to the Trustees of Lodge Hill Trust ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

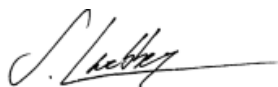
Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.



Signed:

Dated: 14 July 2023

Simon Webber BA (Hons), DChA, FCA

Kreston Reeves LLP
Chartered Accountants
Chichester

Lodge Hill Trust

(A company limited by guarantee)

**Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2022**

	Note	Unrestricted funds		Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
		General funds 2022 £	Designated funds 2022 £			
Income from:						
Donations and legacies	4	252	-	43,729	43,981	219,274
Charitable activities	5	639,804	-	-	639,804	395,629
Investments	6	2,830	-	-	2,830	1,392
Other income	7	25,675	-	-	25,675	25,373
Total income		668,561	-	43,729	712,290	641,668
Expenditure on:						
Charitable activities	8	581,251	44,483	128,845	754,579	628,482
Total expenditure		581,251	44,483	128,845	754,579	628,482
Net gains on investments		-	(8,271)	-	(8,271)	7,146
Net (expenditure)/income		87,310	(52,754)	(85,116)	(50,560)	20,332
Transfers between funds		-	-	-	-	-
Net movement in funds		87,310	(52,754)	(85,116)	(50,560)	20,332
Reconciliation of funds:						
Total funds brought forward		(28,248)	2,101,037	93,633	2,166,422	2,146,090
Net movement in funds		87,310	(52,754)	(85,116)	(50,560)	20,332
Total funds carried forward		59,062	2,048,283	8,517	2,115,862	2,166,422

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)
Registered number: 03590104

Balance sheet
As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	1,975,152	2,019,635
		1,975,152	2,019,635
Current assets			
Stocks	13	5,187	3,501
Debtors	14	22,757	44,755
Investments	15	73,130	81,401
Cash at bank and in hand		238,701	270,089
		339,775	399,746
Creditors: amounts falling due within one year	16	(67,265)	(99,764)
Net current assets		272,510	299,982
Total assets less current liabilities		2,247,662	2,319,617
Creditors: amounts falling due after more than one year	17	(131,800)	(153,195)
Net assets excluding pension asset		2,115,862	2,166,422
Total net assets		2,115,862	2,166,422
Charity funds			
Restricted funds	18	8,517	93,633
Unrestricted funds			
Designated funds	18	2,048,283	2,101,037
General funds	18	59,062	(28,248)
Total unrestricted funds	18	2,107,345	2,072,789
Total funds		2,115,862	2,166,422

Lodge Hill Trust

(A company limited by guarantee)

Registered number: 03590104

Balance sheet (continued)

As at 31 December 2022

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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



Mr Matthew Wykes, DipPFS

Date: 04-07-23

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(24,830)	28,190
Cash flows from investing activities		
Dividends, interests and rents from investments	2,830	1,392
Net cash provided by investing activities	2,830	1,392
Cash flows from financing activities		
Repayments of borrowing	(9,388)	(3,912)
Net cash used in financing activities	(9,388)	(3,912)
Change in cash and cash equivalents in the year	(31,388)	25,670
Cash and cash equivalents at the beginning of the year	270,089	244,419
Cash and cash equivalents at the end of the year	238,701	270,089

The notes on pages 14 to 33 form part of these financial statements

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

1. General information

Lodge Hill Trust is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of its registered office is:

Lodge Hill
Watersfield
Pulborough
West Sussex
RH20 1LZ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lodge Hill Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held 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.

Notes to the financial statements
For the year ended 31 December 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Notes to the financial statements
For the year ended 31 December 2022

2. Accounting policies (continued)

2.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following bases.

Depreciation is provided on the following bases:

Freehold property, meeting hall and campsite	- 2 - 5% straight line
Kitchen, campsite and outdoor equipment	- 10 - 25% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 25% straight line

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements
For the year ended 31 December 2022

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The company 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.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

In the past the company operated a defined benefits pension scheme for former employees. The scheme is a multi employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the financial statements
For the year ended 31 December 2022

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Multi-employer defined benefit pension scheme:

Certain former employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgement of the trustees, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see pension note for further details

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations - Individuals	252	1,079	1,331	15,105
Donations - Trusts	-	38,650	38,650	37,000
Donations - Others	-	-	-	23
Local authority grants	-	4,000	4,000	72,556
CJRS grant	-	-	-	94,590
	<u>252</u>	<u>43,729</u>	<u>43,981</u>	<u>219,274</u>
Total 2021	<u>110,718</u>	<u>108,556</u>	<u>219,274</u>	

Income from donations and legacies for 2021 was £110,718 of unrestricted income and £108,556 of restricted income.

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Residential and other charges	324,786	324,786	153,159
Day conferences	43,653	43,653	26,751
Activities	258,112	258,112	206,555
Campsite hire	13,253	13,253	9,164
Total 2022	<u>639,804</u>	<u>639,804</u>	<u>395,629</u>
Total 2021	<u>395,629</u>	<u>395,629</u>	

Income from charitable activities for 2021 was £395,629 of unrestricted income and £nil of restricted income.

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Notes to the financial statements
For the year ended 31 December 2022

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
UK quoted investments	1,682	1,682	1,363
UK bank accounts	1,148	1,148	29
	<u>2,830</u>	<u>2,830</u>	<u>1,392</u>
	<u>1,392</u>	<u>1,392</u>	
Total 2021			

Investment income for 2021 was £1,392 of unrestricted income and £nil of restricted income.

7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Phone mast income	15,201	15,201	15,455
Rental income	5,674	5,674	5,418
Staff accommodation income	4,800	4,800	4,500
	<u>25,675</u>	<u>25,675</u>	<u>25,373</u>
	<u>25,373</u>	<u>25,373</u>	
Total 2021			

Other incoming resources for 2021 was £25,373 of unrestricted income and £nil of restricted income.

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Activities	714,046	40,533	754,579	628,482
	<u>618,773</u>	<u>9,709</u>	<u>628,482</u>	
Total 2021				

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2022

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	431,591	431,591	365,508
Staff training and welfare	15,544	15,544	5,062
Activities expenses	28,655	28,655	26,981
Cleaning and laundry	2,222	2,222	1,452
Course expenses	-	-	25
Domestic services	39,302	39,302	17,178
Equipment purchased	810	810	-
Instructors	8,245	8,245	3,551
Uniform	1,331	1,331	1,149
Insurance	16,914	16,914	14,385
Light and heat	41,742	41,742	28,850
Motor and travel	3,491	3,491	5,551
Printing, postage and stationery	2,578	2,578	2,114
Rates	2,322	2,322	8,097
Depreciation	44,483	44,483	47,400
Repairs and maintenance	62,349	62,349	76,860
Telephone	4,850	4,850	4,448
Sundry expenses	1,018	1,018	788
Interest	6,599	6,599	9,374
	714,046	714,046	618,773
Total 2021	618,773	618,773	

Notes to the financial statements
For the year ended 31 December 2022

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff training and welfare	1,346	1,346	1,105
Legal and professional	1,520	1,520	35
Activities expenses	910	910	945
Land sale expenses	30,417	30,417	-
Governance costs	6,340	6,340	7,624
	<u>40,533</u>	<u>40,533</u>	<u>9,709</u>
Total 2021	<u>9,709</u>	<u>9,709</u>	

Governance costs comprise of independent examination fees of £3,600 (2021: £3,600) and other accountancy fees of £3,369 (2021: £4,024).

9. Independent examiner's remuneration

	2022 £	2021 £
Fees payable to the company's independent examiner for the independent examination of the company's annual accounts	3,700	3,600
Fees payable to the company's independent examiner in respect of: All other services not included above	<u>2,640</u>	<u>4,024</u>

10. Staff costs

	2022 £	2021 £
Wages and salaries	400,050	340,261
Social security costs	27,091	21,917
Pension costs	4,450	3,330
	<u>431,591</u>	<u>365,508</u>

Notes to the financial statements
For the year ended 31 December 2022

10. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2022 No.	2021 No.
Full and part time staff	38	33

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-

Details of key management personnel can be found on the information page. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for the services to the charity were £184,825 (2021: £157,484).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2022

12. Tangible fixed assets

	Freehold property, meeting hall and campsite £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2022	2,701,242	342,722	3,043,964
At 31 December 2022	2,701,242	342,722	3,043,964
Depreciation			
At 1 January 2022	714,058	310,271	1,024,329
Charge for the year	37,455	7,028	44,483
At 31 December 2022	751,513	317,299	1,068,812
Net book value			
At 31 December 2022	1,949,729	25,423	1,975,152
At 31 December 2021	1,987,184	32,451	2,019,635

The net book value of assets held under finance leases or high purchase contracts, included above, is £17,698 (2021: £22,122).

13. Stocks

	2022 £	2021 £
Catering	3,139	2,270
Finished goods and goods for resale	2,048	1,231
	5,187	3,501

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2022

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	18,651	38,895
Prepayments and accrued income	4,106	5,860
	<u>22,757</u>	<u>44,755</u>

15. Current asset investments

	2022 £	2021 £
Listed investments	72,751	81,022
Unlisted investments	379	379
	<u>73,130</u>	<u>81,401</u>

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	10,919	10,437
Trade creditors	8,024	14,405
Other taxation and social security	15,918	17,248
Obligations under finance lease and hire purchase contracts	8,900	9,440
Other creditors	2,627	2,549
Accruals and deferred income	20,877	45,685
	<u>67,265</u>	<u>99,764</u>

	2022 £	2021 £
Deferred income at 1 January 2022	40,260	12,924
Resources deferred during the year	15,457	40,260
Amounts released from previous periods	(40,260)	(12,924)
	<u>15,457</u>	<u>40,260</u>

Deferred income comprises of phone mast income £15,201 (2021: £15,201), rental income of £256 (2021: £256) and activities income of £nil (2021: £24,803).

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2022

17. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	125,781	135,651
Net obligations under finance lease and hire purchase contracts	3,087	11,986
Other creditors	2,932	5,558
	131,800	153,195

A Bank loan of £100,000, included in creditors falling due after more than one year, is secured by a fixed charge over the tangible fixed assets of the Charity.

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
Fixed asset fund	2,019,636	-	(44,483)	-	1,975,153
Continuity reserve	81,401	-	-	(8,271)	73,130
	<u>2,101,037</u>	<u>-</u>	<u>(44,483)</u>	<u>(8,271)</u>	<u>2,048,283</u>
General funds					
General Fund	(28,248)	668,561	(581,251)	-	59,062
	<u>(28,248)</u>	<u>668,561</u>	<u>(581,251)</u>	<u>-</u>	<u>59,062</u>
Total Unrestricted funds	<u>2,072,789</u>	<u>668,561</u>	<u>(625,734)</u>	<u>(8,271)</u>	<u>2,107,345</u>
Restricted funds					
Tennis court	1,838	-	-	-	1,838
Rank foundation	820	-	(820)	-	-
Sno-tubing	899	-	(899)	-	-
Adapted golf buggy	2,410	-	-	-	2,410
ChallengeU	21,451	39,729	(59,340)	-	1,840
Small restricted funds	2,642	-	(67)	-	2,575
In memory of P Hardwick	430	-	(430)	-	-
The Vision Project- Phase 2	53,076	-	-	-	53,076
20th Anniversary	5,094	-	-	-	5,094
We Cycle Too	1,500	-	-	-	1,500
Kayaks	2,704	-	(2,704)	-	-
Telescope	269	-	(269)	-	-
Christmas pudding concert	500	-	(500)	-	-
Covid relief grants	-	4,000	(4,000)	-	-
LH Refurbishment	-	-	(59,816)	-	(59,816)
	<u>93,633</u>	<u>43,729</u>	<u>(128,845)</u>	<u>-</u>	<u>8,517</u>
Total of funds	<u>2,166,422</u>	<u>712,290</u>	<u>(754,579)</u>	<u>(8,271)</u>	<u>2,115,862</u>

Notes to the financial statements
For the year ended 31 December 2022

18. Statement of funds (continued)

Designated funds:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value. The Continuity reserve is the balance of the current asset investments' value.

General funds:

The trustees have considered the deficit in the general fund and consider this to be temporary, and have therefore not considered it necessary to draw down on the continuity fund. The trustees will review this position in future years, should the situation change.

Restricted funds:

Tennis court - funds received to cover the costs of building and maintaining the tennis court.

Rank foundation - funds received to cover the costs of a students living and general expenses whilst completing an apprenticeship at Lodge Hill.

Sno tubing funds - received to cover the costs of building and maintaining the sno tubing activity.

Golf buggy - funds received toward the costs of an adapted golf buggy which will be purchased once sufficient funds have been raised.

ChallengeU funds - received to cover certain staffing costs of the ChallengeU project.

The Vision Project - funds received in relation to the refurbishment and extension of the kitchen, dining and residential facilities in order to accommodate the increasingly larger groups wishing to visit Lodge Hill. Funds were received from many donors, including but not limited to: Individual donations, Garfield Weston, Bradbury Foundation, ACT Foundation, Ernest Kleinwort Charitable Trust, Edward Gosling Foundation, Foyle Foundation, Hobsons Charity, Beatrice Laing Foundation and Bassil Shippham and Alsford Trust. Upon expenditure of the restricted income received into this fund, on capital items within the restriction, the fund balance is transferred to the designated fixed asset fund, as it is no longer available for expenditure.

In memory of P Hardwick - funds received in memory of the late President, Penny Hardwick. These funds are being applied to the Vision Project which she fully supported.

20th Anniversary - Lodge Hill has successfully raised funds to install a bespoke disability suite with adjacent carers bedroom and en-suite on the ground floor of Hardwick Hall. Lodge Hill now needs to raise £3,000 for soft furnishings, an intercom system and equipment to make the suite comfortable and homely for future visitors.

We Cycle Too - This donation was made to maintain the Disability Bikes which were gifted to Lodge Hill in 2018.

Kayaks - This funding was given by the Hedley Foundation for the purchase of Kayaks and equipment.

Telescore - These funds were donated by the Rotary Club of Storrington and Pulborough District for the purchase of a telescope and training for delivery of sessions.

Christmas Pudding Concert - This funding was raised to be used for the fixtures and fittings for the Disability Suite, when complete.

Covid relief grants - Received to contribute toward core costs and essential staffing throughout the period the Centre was closed due to the pandemic restrictions.

LH Refurbishment - These funds are restricted from the proceeds of the land sale for the ongoing upgrading, maintenance and refurbishment of the Lodge Hill site.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2022

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Designated funds					
Fixed asset fund	2,067,034	-	(47,400)	-	2,019,634
Continuity reserve	74,257	-	-	7,146	81,403
	<u>2,141,291</u>	<u>-</u>	<u>(47,400)</u>	<u>7,146</u>	<u>2,101,037</u>
 General Fund	 (121,838)	 533,112	 (439,522)	 -	 (28,248)
	<u>2,019,453</u>	<u>533,112</u>	<u>(486,922)</u>	<u>7,146</u>	<u>2,072,789</u>
 Restricted funds					
Tennis court	1,838	-	-	-	1,838
Rank foundation	820	-	-	-	820
Sno-tubing	899	-	-	-	899
Adapted golf buggy	2,410	-	-	-	2,410
ChallengeU	50,851	36,000	(65,400)	-	21,451
Small restricted funds	2,773	-	(131)	-	2,642
In memory of P Hardwick	430	-	-	-	430
The Vision Project- Phase 2	56,549	-	(3,473)	-	53,076
20th Anniversary	5,094	-	-	-	5,094
We Cycle Too	1,500	-	-	-	1,500
Kayaks	2,704	-	-	-	2,704
Telescope	269	-	-	-	269
Christmas pudding concert	500	-	-	-	500
Covid relief grants	-	72,556	(72,556)	-	-
	<u>126,637</u>	<u>108,556</u>	<u>(141,560)</u>	<u>-</u>	<u>93,633</u>
 Total of funds	 <u>2,146,090</u>	 <u>641,668</u>	 <u>(628,482)</u>	 <u>7,146</u>	 <u>2,166,422</u>

Notes to the financial statements
For the year ended 31 December 2022

18. Statement of funds (continued)

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,975,152	-	1,975,152
Current assets	331,258	8,517	339,775
Creditors due within one year	(67,265)	-	(67,265)
Creditors due in more than one year	(131,800)	-	(131,800)
Total	2,107,345	8,517	2,115,862

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,019,635	-	2,019,635
Current assets	306,113	93,633	399,746
Creditors due within one year	(99,764)	-	(99,764)
Creditors due in more than one year	(153,195)	-	(153,195)
Total	2,072,789	93,633	2,166,422

Notes to the financial statements
For the year ended 31 December 2022

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(50,560)	20,332
Adjustments for:		
Depreciation charges	44,483	47,400
(Gains)/losses on investments	8,271	(7,146)
Dividends, interests and rents from investments	(2,830)	(1,392)
Increase in stocks	(1,686)	(752)
Decrease/(increase) in debtors	21,998	(41,528)
Increase/(decrease) in creditors	(44,506)	11,276
Net cash provided by/(used in) operating activities	(24,830)	28,190

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	238,701	270,089
Total cash and cash equivalents	238,701	270,089

22. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	Finance leases £	At 31 December 2022 £
Cash at bank and in hand	270,089	(24,522)	(6,866)	238,701
Debt due within 1 year	(10,437)	(482)	-	(10,919)
Debt due after 1 year	(135,651)	9,870	-	(125,781)
Finance leases	(21,426)	-	9,439	(11,987)
Liquid investments	81,401	(8,271)	-	73,130
	183,976	(23,405)	2,573	163,144

Notes to the financial statements
For the year ended 31 December 2022

23. Pension commitments

Defined contribution scheme:

For current employees, Lodge Hill Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charged to the statement of financial activities represents contributions payable by the charity to the fund and amounted to £4,691 (2021: £2,271). There were outstanding contributions at the balance sheet date of £nil. (2021: £nil).

Multi employer defined benefit pension scheme:

For certain former employees, Lodge Hill Trust participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Plan is a multi employer defined pension plan. The charity's eligible employees are auto enrolled into the pension scheme with The Pensions Trust.

The Plan is a multi employer scheme where the plan assets are co-mingled for investment purposes, and benefits are paid from the total Plan assets. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the underlying assets and liabilities belonging to the individual participating employers. Due to the nature of the Plan, the accounting charge for the year under FRS102 represents the employer contribution payable.

The rules of the Plan give the Trustees the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as technical provisions.

If the actuarial valuation reveals a deficit, the Trustees will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

The total employer contribution made for the year ended 31 December 2022 was £2,092 (2021: £3,208). The agreed normal contribution rates for future years are 3% for the employer and 5% for the employees. At the year end there were outstanding contributions of £nil (2021: £nil). As at the balance sheet date there were 0 active members of the Plan employed by Lodge Hill Trust.

Actuarial valuations are carried out every three years for funding purposes using the projected unit method. The funding position is calculated by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The most recent valuation available results are as at 30 September 2017. The market value of the Plan's assets at the valuation date was £796 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £132 million, equivalent to a funding level of 86%.

Regulations require the Trustee to set a prudent basis for valuing the Scheme's benefits, taking into account the strength of the employers' covenant and the Scheme Actuary's advice. The Trustee is also required to consult with employers or their representative. The Growth Plan Employer Consultative Group (GPECG), which acts as the employers' representative for the purposes of Scheme funding, have been consulted on the valuation basis and assumptions. The value of the liabilities on this on going basis is

Notes to the financial statements
For the year ended 31 December 2022

23. Pension commitments (continued)

known as the Technical Provisions.

Where a Scheme's assets are less than the Technical Provisions a recovery plan must be put in place to show how the deficit can be eliminated over a fixed period. The recovery plan must be submitted to The Pensions Regulator who may investigate schemes and require changes where the Technical Provisions are set at too low a level or where the recovery period is too long. The recovery plan for the Growth Plan aims to eliminate the deficit via a combination of additional contributions from employers and investment returns. The results of the 30 September 2015 valuation showed a reduction of eight months in the length of the recovery plan, which will now end on 31 January 2025 instead of 30 September 2025.

Under FRS 102 the amount of additional contributions for Lodge Hill Trust in the period to 31 January 2025 have been included as a liability in the accounts.

24. Operating lease commitments

At 31 December 2022 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	-	4,202

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2022 £	2021 £
Operating lease rentals	-	4,584

25. Related party transactions

There were no transactions with related parties in the year (2021: £nil).

26. Controlling party

The company is controlled on a day to day basis by the trustees who are the directors of the company.

27. Supporters of Lodge Hill

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.



Lodge Hill Trust Independent Examination Report

For the year ended

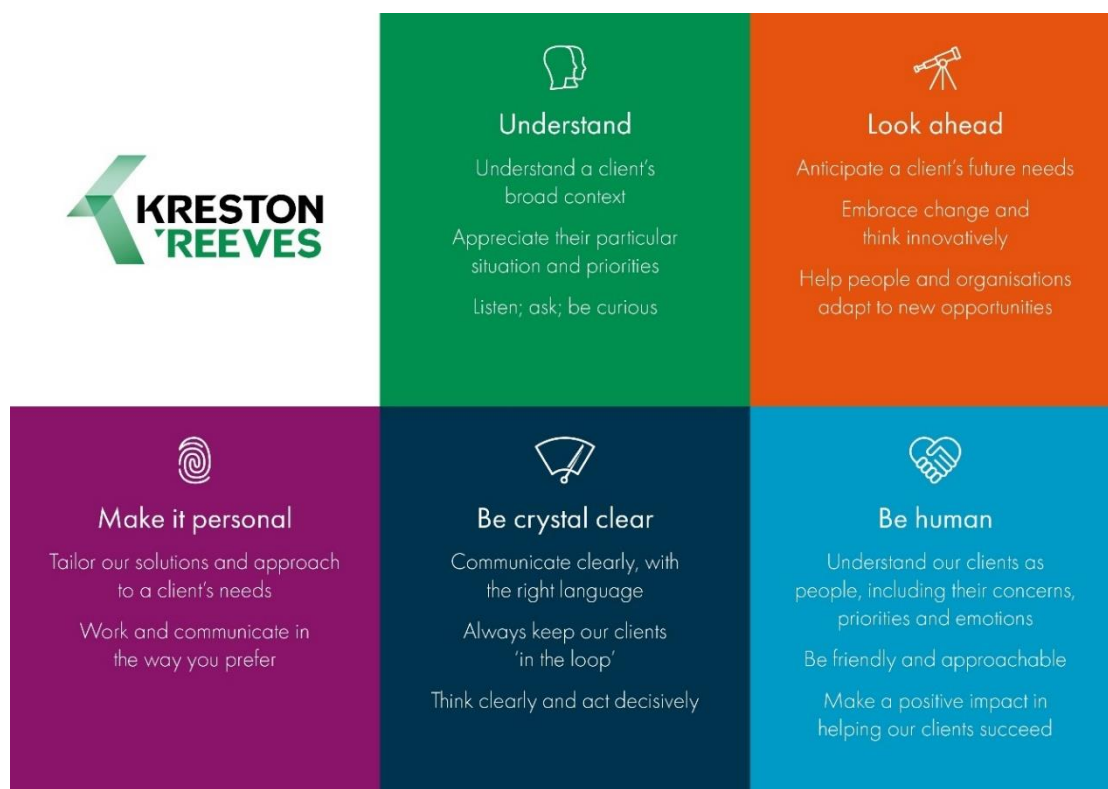
31 December 2022

Our values



Our values define who we are and how we do things at Kreston Reeves. They reflect our attitudes and behaviours and represent a promise of quality, personal service and commitment to our clients, communities and colleagues.

Collectively and individually we aim to:



Our awards

We are regularly recognised and shortlisted in prestigious national, regional and industry awards. As well as receiving award recognition ourselves, it's important to us to help recognise and award the successes and growth stories of other businesses. We regularly support and sponsor awards such as Kent MegaGrowth and Sussex Super Growth Awards.



**Independent Examination Report
For the year ended 31 December 2022**

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**Independent Examination Report
For the year ended 31 December 2022**

1. Introduction and summary

The purpose of this report is to bring to your attention our comments from the recent independent examination carried out on Lodge Hill Trust. We appreciate that you will already be aware of the majority of the matters contained in this report through earlier discussions you will have had with the independent examination team, but we hope that you will find this report a useful summary of those discussions.

We would like to take this opportunity to thank Katie Collet and Lisa May for the assistance they have provided to us during the course of our independent examination.

Our independent examination has given us a unique opportunity to understand your activities and processes. We have used this opportunity to provide you a service that is of real positive benefit to you.

During the course of our independent examination work this year we have performed the following tasks which we hope that you will have found to have been of benefit.

- We have assisted you with the preparation of the charity's financial statements and the trustees' annual report, ensuring that they comply with all statutory requirements and with accounting standards, including the Statement of Recommended Practice "Accounting and Reporting by Charities". In doing so we have ensured that the Charity has taken advantage of any accounting exemptions available to it so as to avoid any unnecessary over-disclosure of the Charity's affairs that are not required to be published in publicly available financial statements.
- We have reviewed the accounting policies that you have selected to ensure that they are meeting best practice in accounting for the sector in which the charity operates.
- We have advised you of planned changes in legislation that may be of relevance to you in order that you may prepare for their implementation. These are detailed at Section 4 of this report.

Should you have any questions regarding any of the issues raised in this report please contact Simon Webber as the partner responsible for the independent examination of the charity, or any other member of the independent examination team, who will be happy to provide further explanations as required.



Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

**Independent Examination Report
For the year ended 31 December 2022**

2. Independent examiner's report

Independent examiner's report to the Trustees of Lodge Hill Trust ('the charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts 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 accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed:

Dated:

Simon Webber BA (Hons), DChA, FCA

Kreston Reeves LLP
Chartered Accountants

**Independent Examination Report
For the year ended 31 December 2022**

3. Commentary on results

Income

Income has increased from £642k to £712k in the current year (11%).

This is driven by the recovery following the Covid-19 pandemic, as the Charity has returned to a much higher level of activity. Income from charitable activities has increased by 244k (62%). This was offset somewhat by a reduction in Covid-19 related grants and donations.

Expenditure

Overall expenditure has increased by 126k (20%) from £628k in 2021 to £754k in 2022.

Within this movement;

- Direct costs have risen by £112k (18%) largely due to an 66k increase in staff costs, which is not unexpected given the increase in staff numbers and increase in income.
- Support costs have increased by £18k due to £17k of new land sale expenses

Net movement in funds

The result was an overall operating deficit of £42k, compared to a surplus of £13k. Investment losses were £8k, taking the overall movement in funds to a £51k deficit. Note that £44k of this deficit is non-cash depreciation expenditure.

Independent examination commentary

We discussed areas of concern with the Trust board before undertaking our independent examination work. The area of interest that was noted was the credit card purchase system.

We therefore completed additional walkthrough testing on credit card purchases, which involved running through our documented system notes for random transactions to ensure the process and related controls are in place as documented.

Our testing did not identify any errors or instances of incorrect treatment of purchases.

**Independent Examination Report
For the year ended 31 December 2022**

4. Qualitative aspects of the charity's accounting practices and financial reporting

As part of our audit we have considered and reviewed the Charity's accounting policies with UK Generally Accepted Accounting Practice, including the Statement of Recommended Practice *Accounting and Reporting by Charities* ("the SORP"), and we have not encountered any material departures. In our opinion the accounting policies selected are appropriate to the circumstances of the charity.

Future accounting changes

The charity's accounts are prepared in accordance with FRS102. This standard is due to be updated and revised every four to five years in order to ensure that it reflects any legal changes and developments in accounting practice that have taken place.

The Standard at this stage has not been updated for recent changes to International Financial Reporting Standards (IFRS), and in particular the following major new standards that have recently been implemented:

- IFRS9 *Financial instruments*
- IFRS15 *Revenue from contracts with customers*
- IFRS16 *Leases*

Although the long-term aim is to keep FRS102 as closely aligned to IFRS as possible, the FRC has stated that further consideration is required of the changes that may be required, and that this work will not begin until these standards have been fully implemented by IFRS reporters and insight can be gained from their implementation experience. It is therefore unlikely that any changes will be made to FRS102 in respect of these issues that will impact on your reporting for the foreseeable future.

For more information on these future changes please do not hesitate to contact your usual Kreston Reeves adviser.

**Independent Examination Report
For the year ended 31 December 2022**

Appendix I – Draft Letter of representation

Kreston Reeves LLP
Statutory Auditor and Chartered Accountants
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Dear Sirs

This letter is furnished at your request in connection with your independent examination of the financial statements of the charity for the period ended 31 December 2022 for the purposes enabling you to issue your report to the trustees required by the Charities Act 2011 in respect of the charity's accounting records and preparation of the financial statements.

We recognise that our representations concerning the matters referred to below are significant in enabling you to issue your independent examiner's report.

We have fulfilled our responsibilities as trustees of the charity, as set out in your terms of engagement dated 25 August 2021, under the Companies Act 2006 for preparing financial statements in accordance with the applicable law and United Kingdom Generally Accepted Accounting Practice, which give a true and fair view of the financial position of the charity as of the period end and of the results of operations for the period then ended and for making accurate representations to you.

The financial statements have been prepared in accordance with the Companies Act 2006 the provisions of the Trust Deed, and in accordance with United Kingdom Generally Accepted Accounting Practice, including *Accounting and Reporting by Charities: The 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 (FRS102)* ("the SORP"), including all subsequent Update Bulletins issued that apply to the period under review .

Audit exemption

We confirm that the charity is entitled to the exemptions from an audit of the financial statements as set out in the Charities Act 2011 in that:-

- The incoming resources of the charity did not exceed £1 million; or
- The incoming resources of the charity did not exceed £250,000 and the charity's gross assets did not exceed £3.26million; or
- The incoming resources of the charity and its group did not exceed £1 million, after eliminating intra group transactions and consolidation adjustments; and

An audit of the financial statements is not required by the charity's governing documents.

We confirm that the charitable company is entitled to the exemptions from an audit of the financial statements as set out in Section 477 of the Companies Act 2006.

Fraud

We acknowledge our responsibility for the design, implementation and maintenance of a system of internal control in order to prevent and detect fraud.

**Independent Examination Report
For the year ended 31 December 2022**

We have assessed the risk that the financial statements may be materially misstated as a result of fraud and it is our opinion that any such risk is minimal.

We are not aware of any irregularities involving management or employees who have a significant role with regards to the internal control system or that could have a material effect on the financial statements.

We are not aware of any fraud or suspected fraud of any kind communicated by current or former employees, analysts, regulators or any others.

We are not aware of matters related to fraudulent activity or other non-compliance with law or regulation arising since the beginning of the period which have been communicated to the Charity Commission.

Provision of information

We have made available to your representatives all significant financial records and related data. We have provided to you all other information requested and given unrestricted access to persons within the charity from whom you have deemed it necessary to obtain information. All other records and related information, including minutes of all management meetings, have been made available to you.

Accounting records

All financial transactions of the charity have been properly reflected in the accounting records in accordance with the requirements of the Companies Act 2006 and have been properly reflected in the financial statements.

Accounting estimates

We confirm that the methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework. We confirm that we have informed you of all such significant assumptions.

Minutes and Contracts

The minute books presented to you contain complete and authentic minutes of all meetings of the charity's trustees held since the beginning of the period under review.

We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance.

None of the trustees had at any time in the period an interest in any contract with the charity except as disclosed in the notes to the financial statements.

Law and Regulations

We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal and regulatory framework within which the charity conducts its business and which are central to the charity's ability to conduct its business, except as explained to yourselves and disclosed in the financial statements.

We confirm that we have reviewed the guidance "How to report a serious incident in your charity" published by the Charity Commission. We also confirm that no Serious Incident Reports have been submitted to the Charity Commission, nor any events considered for submission, during the

Independent Examination Report For the year ended 31 December 2022

accounting period or in the period from the balance sheet date to the date of approval of the financial statements.

We are not aware of any instances during the period where the charity has operated outside its charitable objectives as laid down in its governing documents.

We can confirm that our procedures for handling data are compliant with the General Data Protection Regulation and that there have been no events which could result in any penalty being levied by the Information Commissioner's Office which could have a material impact on the financial statements.

Tangible Fixed Assets

The net book amounts at which fixed assets are included in the balance sheet are arrived at:

- After taking into account all capital expenditure on additions thereto, but no expenditure properly chargeable to revenue.
- After eliminating the cost and accumulated depreciation relating to items sold or otherwise disposed of.
- After providing for amortisation and impairment at rates sufficient to reduce the net book amounts to their residual value by the time they become no longer economically useful to the charity.

We confirm that all tangible fixed assets included in the financial statements exist at the balance sheet date.

Investments

None of the charity's investments have declined in value to an amount less than the carrying value in the balance sheet.

Stocks and Work in Progress

Stock and work in progress shown in the balance sheet, represents all stocks and work in progress owned by the charity wherever situated at the balance sheet date.

The quantities of stock and work in progress were ascertained by a physical count carried out at the balance sheet date.

Stocks and work in progress have been valued at the lower of cost and net realisable value, or on such other basis as required by the SORP. For this purpose, cost represents all expenditure incurred in bringing stock and work in progress to its condition and location at the accounting date including related overhead expenditure based on a normal level of activity.

Full provision has been made in the accounts for all liabilities at the balance sheet date in respect of all items included in stock and work in progress. All goods despatched and invoiced to customers (where relevant) at the accounting date have been excluded from stock and work in progress.

We have no plans to abandon product lines or other plans that will result in any excess or obsolete stock that has not already been provided for in the financial statements.

Other Current Assets

We are of the opinion that other current assets have a value on realisation in the ordinary course of operations at least equal to the amounts at which they are stated in the financial statements. In particular adequate provision has been made against all amounts owing to the charity, which are

**Independent Examination Report
For the year ended 31 December 2022**

known, or may be expected, to be irrecoverable.

Assets - General

We confirm that the charity has satisfactory title to all assets appearing in the balance sheet and that they are free from any lien or charge unless otherwise stated in the financial statements.

We have no intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

Liabilities - General

All known liabilities of the charity at the balance sheet date have been included in the financial statements. Adequate provisions have been made in the financial statements for liabilities, which are known to exist but the amount of which, cannot be accurately determined.

Provision has been made for all grant commitments made by the charity in line with the requirements of the SORP.

Contingent Liabilities

We have disclosed to you all claims in connection with litigation or any other claims of material importance that have been, or are expected to be, received and any such claims have been appropriately accounted for and disclosed in the financial statements.

We have disclosed to you all other contingent liabilities.

Taxation

The charity has not undertaken any activities during the year upon which a tax liability arises.

Statement of financial activities

All income of the charity for the period under review has been included in the financial statements.

Except as disclosed in the financial statements the results for the period were not materially affected by:

- transactions of a sort not usually undertaken by the charity.
- circumstances of an exceptional or non-recurring nature.
- charges or credits relating to prior periods.

All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions during the period in the application of such income.

Transactions with trustees and other related parties

Trustees' remuneration

We confirm that no remuneration was paid to trustees during the period under review.

Key management personnel compensation

**Independent Examination Report
For the year ended 31 December 2022**

We confirm that in addition to the trustees of the charity, the following individuals are considered to have formed part of the Key Management of the charity during the accounting period due to their authority and responsibility for planning, directing and controlling the activities of the charity:

- Lisa May BSc (Hons); Dip HSW, Chief Executive Officer
- Katie Collet, BSc (Hons), Finance and Operations Manager
- Claire Harrison, BSc, MHCIMA, Chef Manager
- Claire Sumner, Chef Manager
- Matthew Brown, Lead Activities Instructor
- Darren Worsfold, Activities Manager

We confirm the accuracy of the disclosure of the Key Management Personnel compensation, which includes all employee benefits paid, payable or provided by the charity or on behalf of the charity in exchange for services rendered to the charity. It also includes any consideration paid on behalf of any parent undertaking of the charity in respect of any goods or services provided to the charity.

Directors' advances, credits and guarantees

The charity has had at no time during the period any arrangement, transaction or agreement to provide credit facilities (including loans, quasi loans or credit transactions) for directors and other related parties nor to guarantee or provide security for such facilities except as disclosed in the financial statements.

Related party transactions

We confirm that we have fully disclosed to you the identity of all of the charity's related parties.

You have been provided with details of all transactions between the charity and its related parties that have arisen during the accounting period and we confirm that the disclosure made in the financial statements of these transactions is complete and accurate.

We confirm the factual accuracy of the controlling party disclosure in the financial statements.

Capital Commitments

The financial statements make full disclosure of all outstanding amounts contracted for at the balance sheet date in respect of capital expenditure.

Post Balance Sheet Events

Since the balance sheet date no events or transactions have either occurred or are pending which would have a material effect upon the financial statements at that date, or for the period then ended, or which are of such significance in relation to the charity's affairs as to require disclosure in the financial statements.

Financial Facilities

Since the balance sheet date adequate financial facilities have continued to be available to the charity and we have no reason to believe that such facilities will be withdrawn within the next twelve months.

Review of going concern basis

We confirm that we have considered the charity's future operations, working capital requirements and cashflows and we feel that the going concern basis is appropriate for the preparation of the financial

**Independent Examination Report
For the year ended 31 December 2022**

statements for the period under review. Our considerations have covered a period of not less than 12 months from the date of the approval of the financial statements.

Our consideration has included a thorough assessment of the charity's ability to continue trading as a going concern in light of the current economic climate. We have taken appropriate measures, as far as possible based on the information currently available to us, to safeguard the current and future operations of the charity.

There are no material uncertainties of which we are aware that cast doubt on the charity's ability to continue as a going concern.

All projected cashflows, management accounts and other information and assumptions used in reaching this conclusion have been made available to you for the purposes of your assignment. We confirm that our plans for future actions required to enable the charity to continue as a going concern are feasible.

We are of the opinion that the disclosure on going concern in both the trustees' report and the financial statements is an accurate reflection of the charity's financial position.

Current economic climate

We confirm that we are aware of our responsibility as trustees to consider, as far as possible with the information currently available to us, the possible impact of current economic issues on all aspects of the charity's financial and narrative reporting. These issues include, but are not limited to, the COVID-19 pandemic, the UK's exit from the EU, the conflict in Ukraine, changing interest rates and inflation.

We confirm that all representations made in this letter include due consideration of these factors. In particular this includes, but is not limited to, the following:

- Appropriate disclosure has been included in the charity's narrative reporting regarding the impact of the current economic climate on the charity's performance during the period, our assessment of principal risks and uncertainties and the future activity of the charity;
- We acknowledge our responsibility in the preparation of the financial statements for making appropriate judgments, estimates and assumptions. We have informed you of the judgements and estimates, including those related to the current economic climate, that have had the most significant impact on the financial statements. We confirm that the disclosure in the financial statements of the critical accounting estimates and areas of judgement accurately describes our assessment of matters relating to the current economic climate;
- The financial statements reflect the conditions which existed at the reporting date,
- We have considered whether the charity's tangible fixed assets have been impaired due to the current economic climate. We have also considered whether our estimate of useful economic lives remains appropriate. Our consideration has included a review of the current market value of those assets and their future economic performance;
- At the reporting date, any additional liabilities arising as a result of the current economic climate have been recognised. We have specifically considered whether any additional provision is required in respect of:
 - Doubtful debts;
 - Onerous leases and contracts;
 - Redundancy payments.

Approval of Financial Statements

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting

Lodge Hill Trust



**Independent Examination Report
For the year ended 31 December 2022**

documentation sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The financial statements and the contents of this letter were formally approved by the board at a meeting held on the date shown below.

Yours faithfully

**Mr Matthew Wykes, Dip PFS
Chairman**

for and on behalf of the Board of Trustees

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LODGE HILL TRUST

England & Wales - Charity number 1071041

Accounts

Registered number: 03590104
Charity number: 1071041

Lodge Hill Trust
(A company limited by guarantee)

Unaudited

Trustees' report and financial statements

For the year ended 31 December 2021

Lodge Hill Trust
(A company limited by guarantee)

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Lodge Hill Trust
(A company limited by guarantee)

Reference and administrative details of the company, its Trustees and advisers
For the year ended 31 December 2021

Trustees

Mr Matthew Wykes, DipPFS, Chairman
Mr Guy Nelson, MA (Ed); NPQH
Mr Richard Whittaker
Ms Penny Barnes
Ms Shirley Robinson-Viney (resigned 13 July 2022)

Company registered number

03590104

Charity registered number

1071041

Registered office

Lodge Hill, Watersfield, Pulborough, West Sussex, RH20 1LZ

Company secretary

Shirley Robinson-Viney (resigned 13 July 2022)

President

Col. Sir Brian Barttelot, Bt; OBE; DL

Accountants

Kreston Reeves LLP, 9 Donnington Park, 85 Birdham Road, Chichester, West Sussex, PO20 7AJ

Bankers

CAF Bank Ltd, Kings Hill, West Malling, Kent, ME19 4JQ

Solicitors

Miller Parris, Broadwater, Worthing, West Sussex, BN14 8JB

Investment advisors

Waverton Investment Management Ltd, 16 Babmaes Street, London, SW1Y 6AH

Key Management Personnel

Lisa May BSc (Hons); Dip HSW, Chief Executive Officer
Katie Collet, BSc (Hons), Finance and Operations Manager
Claire Harrison, BSc, MHCIMA, Chef Manager
Matthew Brown, Lead Activities Instructor (resigned 18 July 2022)

Lodge Hill Trust

(A company limited by guarantee)

Reference and administrative details of the company, its Trustees and advisers (continued)
For the year ended 31 December 2021

Patrons

Mrs Susan Pyper (Lord Lieutenant of West Sussex)

Col. Sir Brian Barttelot, Bt; OBE; DL

The Lord Dholakia, OBE;DL

Sylvia Countess of Limerick, CBE

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2021

The Trustees present their annual report together with the financial statements of the company for the 1 January 2021 to 31 December 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objectives and aims

The aim and purpose of the Trust is to ensure that the young people and others of West Sussex and beyond enjoy the educational benefits available at the Centre.

The objects of the Trust set this out as:

- 1) The advancement of the education of young people, primarily those resident in the county of West Sussex, by helping them to develop their mental and physical capacities that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved.
- 2) The provisions of facilities for the further education of adults, primarily those resident in the county of West Sussex.

b. Charitable activities

Under the Charities Act 2006, the trustees are required to report on how the Trust has carried out its aims for the public benefit.

The Trust's objects are set out in the Memorandum of Association and include particularly the advancement of the education of young people and the provision of the facilities for the further education of adults.

The Charity Commission has set out 2 key principles of public benefit, being that there must be identifiable benefits which are related to the Trust's aims and that the benefit must be for the public or a section of the public.

A) Identifiable benefits related to the objects of the Trust include the following:

1. Provision of Facilities

The 32-acre site at Lodge Hill includes a camp site, residential accommodation, outdoor activities and meeting and conference facilities.

2. Giving an education

The Trust's employees include instructors who are trained in the use of all the facilities at the site enabling all the users to be educated in their use. The instructors are not only able to teach users how to achieve personal targets but also, very importantly, how to achieve those targets as a part of a group or team. The Trust achieved accreditation with "Learning Outside the Classroom".

Trustees' report (continued)
For the year ended 31 December 2021

3. Preserving the environment

The Trust's 32 acre site is mainly woodland which is maintained by the Trust's employees for the benefit of all the users generally but also allowing, particularly, school groups, to fulfil educational requirements arising from the national curriculum.

B) The benefit for the public can be illustrated as follows:

1. In the year ended 31st December 2021, there were approx. 24,068 users (mainly children and young people) who visited Lodge Hill. This is still somewhat reduced due to the pandemic and the restrictions for part of the year. We continued supporting vulnerable young people and SEND families throughout the year.
2. Many of these users were young people that took part in activities organised by the outdoor instructors during the period.

The Trust has made it a particular priority to ensure that the centre's facilities are available for disabled users and our work in this regard has been recognised by the Go Easy Improving Access Awards in conjunction with Chichester District Council. The now inclusive facilities have attracted a spectrum of users.

Achievements and performance

a. Chairman's Report

At Lodge Hill we are always planning ahead to stay current, deliver what we believe our customers want and adapt to their changing needs. Our main objective is to secure our long-term future with a number of initiatives. Ultimately, we strive to be the prime provider of outdoor activities for young people in the South of the UK.

2021 was unpredictable with the ongoing lockdown situation. It was hard to plan forward for groups wanting to attend Lodge Hill and financially to maintain control of our forecast and cost structures. We changed and continually monitored our staffing and cost structures and, although much leaner, it has been a great time to grow the team from within whilst developing the services we excel at delivering whilst we waited for the full opening post lockdown.

Towards the end of 2021 and looking at the forward bookings for 2022. We can see the need for our services increasing beyond expectation.

Phase two of our Vision has been delayed due to the pandemic but we are still on course to deliver a disability suite with adjacent carers' room. This is an ongoing discussion along with a number of other exciting opportunities we are reviewing.

The sale of a small parcel of land on the Northeast boundary continues. We have secured Outline Planning Permission and move to the next phase of securing interest in the sale and robust plans in-keeping with the requirements of The South Downs Planning Authority. This will also secure enough funding to place funds into reserve. It will also allow us to move forward on our expansive modernizing and maintenance programme.

Our core business is schools on a day visit or residential trip capacity. We have a strong and growing relationship with West Sussex County Council and are one of their preferred providers of activities for family groups with a disabled child or young person. The ChallengeU programme for young people that have offended, are at risk of offending or have disengaged with society or education is becoming an increasing influence on our overall offering at Lodge Hill and the need increases with much younger people requiring intervention and support than we had anticipated. The centre is licensed for weddings. We have a unique offering for those wishing to share their special day at Lodge Hill. We have great conference facilities to host meetings, corporate events and presentations that add additional income streams to support our core work of supporting children and young people to thrive.

The centre would not be the success it is without the hard work and dedication of the superb Lodge Hill team guided by Lisa May, our dedicated CEO and the hours of voluntary work carried out by our highly motivated

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2021

Trustees. We are incredibly lucky to receive wide ranging support from generous funders, sponsors and donors. Our President, Patrons and Company Members have played a significant role in the development and success of Lodge Hill through their continued support. Looking forward, it is exciting to see a new team bond and drive Lodge Hill to a different level. 2022 will hopefully be (without any interruptions), our busiest year yet. I look forward to sharing this with you next year.

Development plan

In developing our business plan, we recognised that the challenge for Lodge Hill was to become a viable and accessible, high-class provider of choice for users from West Sussex and beyond requiring outdoor activities, residential trips and day meetings/conferences, thus enabling the Trust to remain financially sustainable. We reaffirmed the Trust's mission to target a wide range of groups and individuals, including those with physical disabilities, mental health or learning difficulties and young offenders. The business plan identified that in order to achieve this challenge the Trust would need to:

1. Maintain financial sustainability whilst ensuring Lodge Hill provides best value for money for young people
2. Maintain a professional and committed staff team
3. Maximise the use of facilities and establish on-going communications with key players and supporters
4. Maintain the centre and its facilities to a high standard and plan appropriate improvements
5. Establish joint initiatives with recognised partners and targeted funding.

The business plan is a 'live' document and as such is constantly being updated and refined.

b. Key performance indicators

The principal indicators of performance are financial reporting of current results compared to the budget numbers and previous years. The budget is formally adopted at a meeting of Trustees at the start of the year. Financial reports are prepared by the Accounts Manager and considered in detail by the Finance Committee four times per year. They are presented and discussed by the full board of trustees at each of their meetings. Client satisfaction and statistics of repeat bookings are also considered as performance indicators.

c. Events since the balance sheet date

As expected, we have returned to full operation in 2022. Bookings are buoyant for the rest of 2022 and forward into 2023. We have taken bookings from new customers for residential and activity days who would previously have visited other centers further afield.

At the time of writing the Trust has not utilised the CAF loan it took out as a safeguard when the pandemic began.

d. Investment policy

The Trust has unrestricted authority to invest its funds in the furtherance of its charitable objectives. A proportion of retained reserves is held in the form of listed investments. It is the Trust's policy to have these managed by an independent investment manager under a discretionary mandate requiring a mix of equity and fixed income investments. Although the Trust has not adopted a specific ethical policy, they have instructed the investment manager that they should refrain from investing in companies that undertake activities that are incompatible with the aims and objectives of Lodge Hill. The trustees review the performance of the investment manager periodically and consider the returns achieved to date to have been satisfactory.

Financial review

a. Financial review

2021 has been a year of recovery following the Covid-19 pandemic. We were able to deliver some residential bookings but still significantly less than previous years as schools were hesitant to book in case further restrictions were imposed. We continued to provide outdoor activities to both small family groups and schools preferring to visit for days. We have also increased our Alternative Provision sessions which has added to the

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2021

increase in activities income for the year (2021: £206,555, 2020: £117,711).

Costs have remained largely stable even with the increase in charitable activities due to strict controls and staffing structure changes. The overall net movement of funds for the year was a surplus of £20,332, compared to a deficit of £85,127 in 2020.

b. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

c. Reserves policy

The Trustees review the level of reserves regularly. Reserves are a key element of financial stability and allow the Trust to cope with the fluctuating nature and timing of cash flows. Reserves allow the Trust to deal with unexpected expenditure or changes in income and give time for appropriate action to be taken.

The total funds at the year-end were £2,166,422 (2020: £2,146,090). Of this total, £2,101,037 (2020: £2,141,291) is designated as follows:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The Continuity reserve is the balance of the current asset investments' value.

Structure, governance and management

a. Constitution

Lodge Hill Trust (the charity or the Trust) is a private company limited by guarantee under registered number 03590104, and a registered charity under charity number 1071041. It was incorporated on 30th June 1998 in the United Kingdom. The charity is governed by its Memorandum and Articles of Association.

b. Methods of appointment or election of Trustees

New trustees are recruited primarily by utilising the knowledge of the existing trustees who have a wide network of contacts in the voluntary and business communities in West Sussex. Potential trustees visit Lodge Hill and meet with the chairman and at least one other trustee. They are provided with background papers and receive a detailed briefing. If both sides feel that they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following the meeting a decision is made on whether to invite the individual to become a trustee.

When seeking new trustees Lodge Hill looks for:-

Compatibility with the charity's values, aims and way of working.

Availability to attend meetings, support activities, work on sub-committees, interact with staff and to encourage supporters.

An enduring enthusiasm for the charity's objectives.

An ability to establish priorities and to make logical decisions.

They must be able to contribute effectively, to have listening skills and must have a willingness to share responsibilities.

While specialist expertise is not a pre-requisite, new trustees should enrich the diversity of the board.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2021

Trustees must possess independence of mind and have the skill to challenge constructively, and be capable of and have experience of strategic thinking at board level. All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activity of Lodge Hill.

c. Organisational structure and decision-making policies

The trustees meet as a board on at least four occasions during the year. Closer involvement in the charity's activities is maintained by appropriate committees of trustees, staff, users and professional advisers. Each committee reports to the board and is chaired by a trustee. Committees that were in place in 2021 were:

Premises
Finance
Health and Safety
Marketing
Vision

The day-to-day activities have been directed by the Chief Executive, Lisa May, who works closely with the chairman of the Trustees. She is supported by her management team.

Wider network

Lodge Hill works with a wide range of youth and community organisations but does not have formal links with any wider network.

d. Pay policy for senior staff

The Finance Committee together with the Chairperson meet in December to consider salaries for key staff to be applied in the following financial year. The Committee consider proposals from the Chief Executive which take into account prevailing rates of pay in the local area together with any change in responsibilities. The Committee also consider the remuneration of the Chief Executive.

e. Related party relationships

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

The Trust owns the issued share capital of Lodge Hill Services Limited. This company is dormant and has not traded during the current financial year.

f. Financial risk management

The Trustees consider the risks faced by the Trust at a special meeting at the year end and also consider measures to reduce their likelihood and impact.

Sudden loss of income is the principle concern either from changes in the market which could reduce the capacity of the trust's clients to fund their visits or from damage to the facilities. The former risk is countered by sustained, targeted marketing and efforts to increase the breadth of its user groups. Risks to the facility are countered by careful management and an awareness of risks in the day to day operations.

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2021

Statement of Trustees' responsibilities

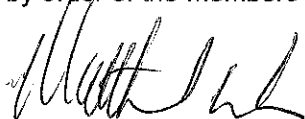
The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they 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 income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr Matthew Wykes, DipPFS

Date: 08 September 2022

Lodge Hill Trust
(A company limited by guarantee)

Independent examiner's report
For the year ended 31 December 2021

Independent examiner's report to the Trustees of Lodge Hill Trust ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company'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 (enter body here), 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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:



Dated: 08 September 2022

Simon Webber BA (Hons), DChA, FCA

Kreston Reeves LLP
Chartered Accountants
Chichester

Lodge Hill Trust

(A company limited by guarantee)

**Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2021**

		Unrestricted funds		Restricted funds 2021	Total funds 2021	Total funds 2020
		General funds 2021	Designated funds 2021			
Note		£	£	£	£	£
Income from:						
Donations and legacies	4	110,718	-	108,556	219,274	258,156
Charitable activities	5	395,629	-	-	395,629	218,814
Investments	6	1,392	-	-	1,392	1,687
Other income	7	25,373	-	-	25,373	30,375
Total income		533,112	-	108,556	641,668	509,032
Expenditure on:						
Charitable activities	8	439,522	47,400	141,560	628,482	600,093
Total expenditure		439,522	47,400	141,560	628,482	600,093
Net gains on investments		-	7,146	-	7,146	5,934
Net (expenditure)/income		93,590	(40,254)	(33,004)	20,332	(85,127)
Transfers between funds		-	-	-	-	-
Net movement in funds		93,590	(40,254)	(33,004)	20,332	(85,127)
Reconciliation of funds:						
Total funds brought forward		(121,838)	2,141,291	126,637	2,146,090	2,231,217
Net movement in funds		93,590	(40,254)	(33,004)	20,332	(85,127)
Total funds carried forward		(28,248)	2,101,037	93,633	2,166,422	2,146,090

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)
Registered number: 03590104

Balance sheet
As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	2,019,635	2,067,035
		<u>2,019,635</u>	<u>2,067,035</u>
Current assets			
Stocks	13	3,501	2,749
Debtors	14	44,755	3,227
Investments	15	81,401	74,255
Cash at bank and in hand		270,089	244,419
		<u>399,746</u>	<u>324,650</u>
Creditors: amounts falling due within one year	16	(99,764)	(71,932)
Net current assets		<u>299,982</u>	<u>252,718</u>
Total assets less current liabilities		<u>2,319,617</u>	<u>2,319,753</u>
Creditors: amounts falling due after more than one year	17	(153,195)	(173,663)
Net assets excluding pension asset		<u>2,166,422</u>	<u>2,146,090</u>
Total net assets		<u><u>2,166,422</u></u>	<u><u>2,146,090</u></u>
Charity funds			
Restricted funds	18	93,633	126,637
Unrestricted funds			
Designated funds	18	2,101,037	2,141,291
General funds	18	(28,248)	(121,838)
		<u>2,072,789</u>	<u>2,019,453</u>
Total unrestricted funds	18	<u>2,072,789</u>	<u>2,019,453</u>
Total funds		<u><u>2,166,422</u></u>	<u><u>2,146,090</u></u>

Lodge Hill Trust

(A company limited by guarantee)

Registered number: 03590104

Balance sheet (continued)

As at 31 December 2021

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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

A handwritten signature in black ink, appearing to read 'Matthew Wykes', written over a horizontal line.

Mr Matthew Wykes, DipPFS

Date: 08 September 2022

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	20	28,190	(39,686)
Cash flows from investing activities			
Dividends, interests and rents from investments		1,392	1,687
Net cash provided by investing activities		1,392	1,687
Cash flows from financing activities			
Cash inflows from new borrowing		-	150,000
Repayments of borrowing		(3,912)	-
Net cash (used in)/provided by financing activities		(3,912)	150,000
Change in cash and cash equivalents in the year		25,670	112,001
Cash and cash equivalents at the beginning of the year		244,419	132,418
Cash and cash equivalents at the end of the year	21	270,089	244,419

The notes on pages 14 to 33 form part of these financial statements

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2021

1. General information

Lodge Hill Trust is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of its registered office is:
Lodge Hill
Watersfield
Pulborough
West Sussex
RH20 1LZ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lodge Hill Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held 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 charity has been materially affected by the global Covid 19 pandemic which emerged in early 2020. The related government imposed restrictions severely constrained the usual range of activities, whether on a residential or non-residential basis. There was a significant loss of income in 2020 compared with what had been expected, although the charity did manage to adapt its service offering to negate this to a certain extent. This included increased support and intervention work with vulnerable families and young people.

The detrimental impact of Covid 19 on the charity's operating cash flow was addressed by a range of measures including support from donors, control of costs, participation in the government's Coronavirus Job Retention Scheme, £50,000 of new funding under the Bounce Back Loan scheme and a further £100,000 5 year loan facility secured against the charity's estate.

During the current reporting period the charity has recovered well from the pandemic as restrictions were lifted. The cash and net current asset positions have both strengthened and as such, the trustees conclude that it is appropriate to adopt the going concern basis in preparing the financial statements.

Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following bases.

Depreciation is provided on the following bases:

Freehold property, meeting hall and campsite	- 2 - 5% straight line
Kitchen, campsite and outdoor equipment	- 10 - 25% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 25% straight line

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The company 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.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

In the past the company operated a defined benefits pension scheme for former employees. The scheme is a multi employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Multi-employer defined benefit pension scheme:

Certain former employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgement of the trustees, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see pension note for further details

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2021

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations - Individuals	15,105	-	15,105	6,785
Donations - Trusts	1,000	36,000	37,000	127,150
Donations - Others	23	-	23	3,000
Local authority grants	-	72,556	72,556	-
CJRS grant	94,590	-	94,590	121,221
	<u>110,718</u>	<u>108,556</u>	<u>219,274</u>	<u>258,156</u>
Total 2020	<u>206,156</u>	<u>52,000</u>	<u>258,156</u>	

Income from donations and legacies for 2020 was £206,156 of unrestricted income and £52,000 of restricted income.

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Residential and other charges	153,159	153,159	81,320
Day conferences	26,751	26,751	15,905
Activities	206,555	206,555	117,711
Campsite hire	9,164	9,164	3,878
Total 2021	<u>395,629</u>	<u>395,629</u>	<u>218,814</u>
Total 2020	<u>218,814</u>	<u>218,814</u>	

Income from charitable activities for 2020 was £218,814 of unrestricted income and £nil of restricted income.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2021

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
UK quoted investments	1,363	1,363	1,595
UK bank accounts	29	29	92
	<u>1,392</u>	<u>1,392</u>	<u>1,687</u>
Total 2020	<u>1,687</u>	<u>1,687</u>	

Investment income for 2020 was £1,687 of unrestricted income and £nil of restricted income.

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Phone mast income	15,455	15,455	15,201
Rental income	5,418	5,418	11,674
Staff accommodation income	4,500	4,500	3,500
	<u>25,373</u>	<u>25,373</u>	<u>30,375</u>
Total 2020	<u>30,375</u>	<u>30,375</u>	

Other incoming resources for 2020 was £30,375 of unrestricted income and £nil of restricted income.

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Activities	618,773	9,709	628,482	600,093
Total 2020	<u>587,939</u>	<u>12,154</u>	<u>600,093</u>	

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2021

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	365,508	365,508	365,653
Staff training and welfare	5,062	5,062	2,500
Activities expenses	26,981	26,981	9,223
Cleaning and laundry	1,452	1,452	1,403
Course expenses	25	25	80
Domestic services	17,178	17,178	7,556
Equipment purchased	-	-	5,594
Instructors	3,551	3,551	748
Uniform	1,149	1,149	107
Insurance	14,385	14,385	20,370
Light and heat	28,850	28,850	24,390
Motor and travel	5,551	5,551	1,558
Printing, postage and stationery	2,114	2,114	2,698
Rates	8,097	8,097	8,317
Depreciation	47,400	47,400	77,721
Repairs and maintenance	76,860	76,860	48,452
Telephone	4,448	4,448	4,651
Sundry expenses	788	788	2,506
Interest	9,374	9,374	4,412
	618,773	618,773	587,939
Total 2020	587,939	587,939	

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff training and welfare	1,105	1,105	1,201
Legal and professional	35	35	1,834
Activities expenses	945	945	1,022
Governance costs	7,624	7,624	8,097
	<u>9,709</u>	<u>9,709</u>	<u>12,154</u>
Total 2020	<u>12,154</u>	<u>12,154</u>	

Governance costs comprise of independent examination fees of £3,600 (2020: £3,600) and other accountancy fees of £4,024 (2020: £4,497).

9. Independent examiner's remuneration

	2021 £	2020 £
Fees payable to the company's independent examiner for the independent examination of the company's annual accounts	3,600	3,600
Fees payable to the company's independent examiner in respect of: All other services not included above	<u>4,024</u>	<u>4,497</u>

10. Staff costs

	2021 £	2020 £
Wages and salaries	340,261	343,260
Social security costs	21,917	18,186
Pension costs	3,330	4,207
	<u>365,508</u>	<u>365,653</u>

Notes to the financial statements
For the year ended 31 December 2021

10. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2021	2020
	No.	No.
Full and part time staff	33	27

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
	No.	No.
In the band £60,001 - £70,000	1	1

Details of key management personnel can be found on the information page. The total amount of employee benefits (including employer pension contributions) received by key management personnel for the services to the charity were £157,484 (2020: £179,632).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2021

12. Tangible fixed assets

	Freehold property, meeting hall and campsite £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2021	2,701,242	342,722	3,043,964
At 31 December 2021	2,701,242	342,722	3,043,964
Depreciation			
At 1 January 2021	699,726	277,203	976,929
Charge for the year	37,455	9,945	47,400
At 31 December 2021	737,181	287,148	1,024,329
Net book value			
At 31 December 2021	1,964,061	55,574	2,019,635
At 31 December 2020	2,001,516	65,519	2,067,035

The net book value of assets held under finance leases or high purchase contracts, included above, is £22,122 (2020: £27,653).

13. Stocks

	2021 £	2020 £
Catering	2,270	1,310
Finished goods and goods for resale	1,231	1,439
	3,501	2,749

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2021

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	38,895	46
Prepayments and accrued income	5,860	3,181
	<u>44,755</u>	<u>3,227</u>

15. Current asset investments

	2021 £	2020 £
Listed investments	81,022	73,877
Unlisted investments	379	378
	<u>81,401</u>	<u>74,255</u>

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	10,437	4,723
Trade creditors	14,405	12,104
Other taxation and social security	17,248	26,743
Obligations under finance lease and hire purchase contracts	9,440	8,013
Other creditors	2,549	2,475
Accruals and deferred income	45,685	17,874
	<u>99,764</u>	<u>71,932</u>
	2021 £	2020 £
Deferred income at 1 January 2021	12,924	20,166
Resources deferred during the year	40,260	12,924
Amounts released from previous periods	(12,924)	(20,166)
	<u>40,260</u>	<u>12,924</u>

Deferred income comprises of phone mast income £15,201 (2020: £12,668), rental income of £256 (2020: £256) and activities income of £24,803 (2020: £nil).

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Notes to the financial statements
For the year ended 31 December 2021

17. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Bank loans	135,651	145,277
Net obligations under finance lease and hire purchase contracts	11,986	20,279
Other creditors	5,558	8,107
	153,195	173,663

A Bank loan of £100,000, included in creditors falling due after more than one year, is secured by a fixed charge over the tangible fixed assets of the Charity.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2021

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Designated funds					
Fixed asset fund	2,067,034	-	(47,400)	-	2,019,634
Continuity reserve	74,257	-	-	7,146	81,403
	<u>2,141,291</u>	<u>-</u>	<u>(47,400)</u>	<u>7,146</u>	<u>2,101,037</u>
General funds					
General Fund	(121,838)	533,112	(439,522)	-	(28,248)
	<u>(121,838)</u>	<u>533,112</u>	<u>(439,522)</u>	<u>-</u>	<u>(28,248)</u>
Total Unrestricted funds	<u>2,019,453</u>	<u>533,112</u>	<u>(486,922)</u>	<u>7,146</u>	<u>2,072,789</u>
Restricted funds					
Tennis court	1,838	-	-	-	1,838
Rank foundation	820	-	-	-	820
Sno-tubing	899	-	-	-	899
Adapted golf buggy	2,410	-	-	-	2,410
ChallengeU	50,851	36,000	(65,400)	-	21,451
Small restricted funds	2,773	-	(131)	-	2,642
In memory of P Hardwick	430	-	-	-	430
The Vision Project- Phase 2	56,549	-	(3,473)	-	53,076
20th Anniversary	5,094	-	-	-	5,094
We Cycle Too	1,500	-	-	-	1,500
Kayaks	2,704	-	-	-	2,704
Telescope	269	-	-	-	269
Christmas pudding concert	500	-	-	-	500
Covid relief grants	-	72,556	(72,556)	-	-
	<u>126,637</u>	<u>108,556</u>	<u>(141,560)</u>	<u>-</u>	<u>93,633</u>
Total of funds	<u>2,146,090</u>	<u>641,668</u>	<u>(628,482)</u>	<u>7,146</u>	<u>2,166,422</u>

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2021

18. Statement of funds (continued)

Designated funds:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The Continuity reserve is the balance of the current asset investments' value.

General funds:

The trustees have considered the deficit in the general fund and consider this to be temporary, and have therefore not considered it necessary to draw down on the continuity fund. The trustees will review this position in future years, should the situation change.

Restricted funds:

Tennis court - funds received to cover the costs of building and maintaining the tennis court.

Rank foundation - funds received to cover the costs of a students living and general expenses whilst completing an apprenticeship at Lodge Hill.

Sno tubing funds - received to cover the costs of building and maintaining the sno tubing activity.

Golf buggy - funds received toward the costs of an adapted golf buggy which will be purchased once sufficient funds have been raised.

ChallengeU funds - received to cover certain staffing costs of the ChallengeU project.

The Vision Project - funds received in relation to the refurbishment and extension of the kitchen, dining and residential facilities in order to accommodate the increasingly larger groups wishing to visit Lodge Hill. Funds were received from many donors, including but not limited to: Individual donations, Garfield Weston, Bradbury Foundation, ACT Foundation, Ernest Kleinwort Charitable Trust, Edward Gosling Foundation, Foyle Foundation, Hobsons Charity, Beatrice Laing Foundation and Bassil Shippham and Alsford Trust. Upon expenditure of the restricted income received into this fund, on capital items within the restriction, the fund balance is transferred to the designated fixed asset fund, as it is no longer available for expenditure.

In memory of P Hardwick - funds received in memory of the late President, Penny Hardwick. These funds are being applied to the Vision Project which she fully supported.

20th Anniversary - Lodge Hill has successfully raised funds to install a bespoke disability suite with adjacent carers bedroom and en-suite on the ground floor of Hardwick Hall. Lodge Hill now needs to raise £3,000 for soft furnishings, an intercom system and equipment to make the suite comfortable and homely for future visitors.

We Cycle Too - This donation was made to maintain the Disability Bikes which were gifted to Lodge Hill in 2018.

Kayaks - This funding was given by the Hedley Foundation for the purchase of Kayaks and equipment.

Telescope - These funds were donated by the Rotary Club of Storrington and Pulborough District for the purchase of a telescope and training for delivery of sessions.

Christmas Pudding Concert - This funding was raised to be used for the fixtures and fittings for the Disability Suite, when complete.

Covid relief grants - Received to contribute toward core costs and essential staffing throughout the period the Centre was closed due to the pandemic restrictions

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Notes to the financial statements
For the year ended 31 December 2021

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
Fixed asset fund	2,144,755	-	(77,721)	-	2,067,034
Continuity reserve	68,323	-	-	5,934	74,257
	<u>2,213,078</u>	<u>-</u>	<u>(77,721)</u>	<u>5,934</u>	<u>2,141,291</u>
 General Fund	 (80,310)	 457,032	 (498,560)	 -	 (121,838)
	<u>2,132,768</u>	<u>457,032</u>	<u>(576,281)</u>	<u>5,934</u>	<u>2,019,453</u>
 Restricted funds					
Tennis court	1,838	-	-	-	1,838
Rank foundation	820	-	-	-	820
Sno-tubing	899	-	-	-	899
Adapted golf buggy	2,410	-	-	-	2,410
ChallengeU	21,452	48,500	(19,101)	-	50,851
Small restricted funds	2,935	-	(162)	-	2,773
In memory of P Hardwick	2,248	-	(1,818)	-	430
The Vision Project- Phase 2	56,549	-	-	-	56,549
20th Anniversary	5,094	-	-	-	5,094
We Cycle Too	1,500	-	-	-	1,500
Kayaks	2,704	-	-	-	2,704
Telescope	-	3,000	(2,731)	-	269
Christmas pudding concert	-	500	-	-	500
	<u>98,449</u>	<u>52,000</u>	<u>(23,812)</u>	<u>-</u>	<u>126,637</u>
 Total of funds	 <u>2,231,217</u>	 <u>509,032</u>	 <u>(600,093)</u>	 <u>5,934</u>	 <u>2,146,090</u>

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2021

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,019,635	-	2,019,635
Current assets	306,113	93,633	399,746
Creditors due within one year	(99,764)	-	(99,764)
Creditors due in more than one year	(153,195)	-	(153,195)
Total	2,072,789	93,633	2,166,422

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	2,067,035	-	2,067,035
Current assets	198,013	126,637	324,650
Creditors due within one year	(71,932)	-	(71,932)
Creditors due in more than one year	(173,663)	-	(173,663)
Total	2,019,453	126,637	2,146,090

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Notes to the financial statements
For the year ended 31 December 2021

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	20,332	(85,127)
Adjustments for:		
Depreciation charges	47,400	77,720
(Gains)/losses on investments	(7,146)	(5,934)
Dividends, interests and rents from investments	(1,392)	(1,687)
Decrease/(increase) in stocks	(752)	2,052
Decrease/(increase) in debtors	(41,528)	26,558
Increase/(decrease) in creditors	11,276	(53,268)
Net cash provided by/(used in) operating activities	28,190	(39,686)

21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	270,089	244,419
Total cash and cash equivalents	270,089	244,419

22. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	Finance leases £	At 31 December 2021 £
Cash at bank and in hand	244,419	32,536	(6,866)	270,089
Debt due within 1 year	(4,723)	(5,714)	-	(10,437)
Debt due after 1 year	(145,277)	9,626	-	(135,651)
Finance leases	(28,292)	-	6,866	(21,426)
Liquid investments	74,255	7,146	-	81,401
	140,382	43,594	-	183,976

Notes to the financial statements
For the year ended 31 December 2021

23. Pension commitments

Defined contribution scheme:

For current employees, Lodge Hill Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charged to the statement of financial activities represents contributions payable by the charity to the fund and amounted to £2,271 (2020: £4,809). There were outstanding contributions at the balance sheet date of £nil. (2020: £nil).

Multi employer defined benefit pension scheme:

For certain former employees, Lodge Hill Trust participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Plan is a multi employer defined pension plan. The charity's eligible employees are auto enrolled into the pension scheme with The Pensions Trust.

The Plan is a multi employer scheme where the plan assets are co-mingled for investment purposes, and benefits are paid from the total Plan assets. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the underlying assets and liabilities belonging to the individual participating employers. Due to the nature of the Plan, the accounting charge for the year under FRS102 represents the employer contribution payable.

The rules of the Plan give the Trustees the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as technical provisions.

If the actuarial valuation reveals a deficit, the Trustees will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

The total employer contribution made for the year ended 31 December 2021 was £3,208 (2020: £2,603). The agreed normal contribution rates for future years are 3% for the employer and 5% for the employees. At the year end there were outstanding contributions of £nil (2020: £nil). As at the balance sheet date there were 0 active members of the Plan employed by Lodge Hill Trust.

Actuarial valuations are carried out every three years for funding purposes using the projected unit method. The funding position is calculated by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The most recent valuation available results are as at 30 September 2017. The market value of the Plan's assets at the valuation date was £796 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £132 million, equivalent to a funding level of 86%.

Regulations require the Trustee to set a prudent basis for valuing the Scheme's benefits, taking into account the strength of the employers' covenant and the Scheme Actuary's advice. The Trustee is also required to consult with employers or their representative. The Growth Plan Employer Consultative Group (GPECG), which acts as the employers' representative for the purposes of Scheme funding, have been consulted on the valuation basis and assumptions. The value of the liabilities on this on going basis is

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Notes to the financial statements
For the year ended 31 December 2021

23. Pension commitments (continued)

known as the Technical Provisions.

Where a Scheme's assets are less than the Technical Provisions a recovery plan must be put in place to show how the deficit can be eliminated over a fixed period. The recovery plan must be submitted to The Pensions Regulator who may investigate schemes and require changes where the Technical Provisions are set at too low a level or where the recovery period is too long. The recovery plan for the Growth Plan aims to eliminate the deficit via a combination of additional contributions from employers and investment returns. The results of the 30 September 2015 valuation showed a reduction of eight months in the length of the recovery plan, which will now end on 31 January 2025 instead of 30 September 2025.

Under FRS 102 the amount of additional contributions for Lodge Hill Trust in the period to 31 January 2025 have been included as a liability in the accounts.

24. Operating lease commitments

At 31 December 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	4,202	4,584
Later than 1 year and not later than 5 years	-	2,292
	<u>4,202</u>	<u>6,876</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2021 £	2020 £
Operating lease rentals	<u>4,584</u>	<u>4,584</u>

25. Related party transactions

There were no transactions with related parties in the year (2020: £nil).

26. Controlling party

The company is controlled on a day to day basis by the trustees who are the directors of the company.

27. Supporters of Lodge Hill

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

LODGE HILL TRUST

England & Wales - Charity number 1071041

Accounts

Registered number: 03590104
Charity number: 1071041

Lodge Hill Trust
(A company limited by guarantee)

Unaudited

Trustees' report and financial statements

For the year ended 31 December 2020

Lodge Hill Trust
(A company limited by guarantee)

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Reference and administrative details of the company, its Trustees and advisers
For the year ended 31 December 2020

Trustees

Mr Matthew Wykes, DipPFS, Chairman
Mr Guy Nelson, MA (Ed); NPQH
Mr Richard Whittaker
Ms Penny Barnes
Mr Robert Allison, FCA, BSc (hons) (resigned 8 December 2020)
Ms Shirley Robinson-Viney
Ms Lyn Aaron Ferringo (resigned 20 March 2020)

Company registered number

03590104

Charity registered number

1071041

Registered office

Lodge Hill, Watersfield, Pulborough, West Sussex, RH20 1LZ

Company secretary

Ms Kathryn Collet BSc (hons) (resigned 28 January 2020)
Shirley Robinson-Viney (appointed 28 January 2020)

President

Col. Sir Brian Barttelot, Bt; OBE; DL

Accountants

Kreston Reeves LLP, 9 Donnington Park, 85 Birdham Road, Chichester, West Sussex, PO20 7AJ

Bankers

CAF Bank Ltd, Kings Hill, West Malling, Kent, ME19 4JQ

Solicitors

Miller Parris, Broadwater, Worthing, West Sussex, BN14 8JB

Investment advisors

Waverton Investment Management Ltd, 16 Babmaes Street, London, SW1Y 6AH

Key Management Personnel

Lisa May BSc (hons); Dip HSW, Chief Executive Officer
Katie Collet, BSc, Finance Manager
Richard Tomkins, House Manager (resigned September 2020)
Thomas Dutson, Activities Manager

Lodge Hill Trust

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Reference and administrative details of the company, its Trustees and advisers (continued)
For the year ended 31 December 2020

Patrons

Mrs Susan Pyper (Lord Lieutenant of West Sussex)

Col. Sir Brian Barttelot, Bt; OBE; DL

The Lord Dholakia, OBE;DL

Sylvia Countess of Limerick, CBE

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2020

The Trustees present their annual report together with the financial statements of the company for the 1 January 2020 to 31 December 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objectives and aims

The aim and purpose of the Trust is to ensure that the young people and others of West Sussex and beyond enjoy the educational benefits available at the Centre.

The objects of the Trust set this out as:

- 1) The advancement of the education of young people, primarily those resident in the county of West Sussex, by helping them to develop their mental and physical capacities that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved.
- 2) The provisions of facilities for the further education of adults, primarily those resident in the county of West Sussex.

b. Charitable activities

Under the Charities Act 2006, the trustees are required to report on how the Trust has carried out its aims for the public benefit.

The Trust's objects are set out in the Memorandum of Association and include particularly the advancement of the education of young people and the provision of the facilities for the further education of adults.

The Charity Commission has set out 2 key principles of public benefit, being that there must be identifiable benefits which are related to the Trust's aims and that the benefit must be for the public or a section of the public.

A) Identifiable benefits related to the objects of the Trust include the following:

1. Provision of Facilities

The 32-acre site at Lodge Hill includes a camp site, residential accommodation, outdoor activities and meeting and conference facilities.

2. Giving an education

The Trust's employees include instructors who are trained in the use of all the facilities at the site enabling all the users to be educated in their use. The instructors are not only able to teach users how to achieve personal targets but also, very importantly, how to achieve those targets as a part of a group or team. The Trust achieved accreditation with "Learning Outside the Classroom".

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2020

3. Preserving the environment

The Trust's 32 acre site is mainly woodland which is maintained by the Trust's employees for the benefit of all the users generally but also allowing, particularly, school groups, to fulfil educational requirements arising from the national curriculum.

B) The benefit for the public can be illustrated as follows:

1. In the year ended 31st December 2020, there were approx. 14,000 users (mainly children and young people) who visited Lodge Hill. This was due to reduced operations due to the pandemic and the restrictions put in place. School and larger groups were not able to visit Lodge Hill. We were however, able to continue supporting vulnerable young people and SEND families throughout the year.
2. Many of these users were young people that took part in activities organised by the outdoor instructors during the period.

The Trust has made it a particular priority to ensure that the centre's facilities are available for disabled users and our work in this regard has been recognised by the Go Easy Improving Access Awards in conjunction with Chichester District Council. The now inclusive facilities have attracted a spectrum of users.

Achievements and performance

a. Chairman's Report

At Lodge Hill we regularly review the site and the activities on offer to ensure we keep up with the changing needs of our customers and their range of requirements. Our main objective is to secure our long-term future with a number of initiatives. Ultimately, we strive to be the prime provider of outdoor activities for young people.

On paper, 2020 was going to be a record year, the first year we started to attract overseas groups and bookings were extending over what would have previously been described as, quieter months.

We have been severely tested with the pandemic that struck at the end of February. Lisa May's endeavours to secure donations, funding and grants have seen us survive an unprecedented attack on our very survival as a charity.

We maintained a core staff presence to maintain site and manage the increasing numbers of vulnerable young people that required 1:1 support. We maintained our commitment to the ChallengeU project on a 1:1 basis also. The rest of our team were furloughed.

As the lockdowns ensued, Lisa and I took the opportunity to review how we would recover from this situation and what our structure and service would look like going forward.

We are confident we will have the right people in the right places and be in a very strong position to maximise occupancy, service the contracts in place and come out of the lockdown much leaner and more capable to deliver full-service levels.

Phase two of our Vision was delayed due to the pandemic but we are still on course to deliver a disability suite with adjacent carers' room.

We are still committed to selling a small parcel of land on the North East boundary. This will secure enough funding to place funds into reserve. It will also allow us to move forward on our expansive modernizing and maintenance programme.

Our core business is schools in a day visit or residential capacity. We have a strong and growing relationship with West Sussex County Council and are one of their preferred providers of activities for family groups with a disabled child or young person. The ChallengeU programme for young people that have offended, are at risk of offending or have disengaged with society or education is becoming an increasing influence on our overall

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2020

offering at Lodge Hill and the need increases with much younger young people requiring intervention and support than we had anticipated. The centre is licensed for weddings and we have a unique offering for those wishing to share their special day at Lodge Hill. We have great conference facilities to host meetings, corporate events and presentations that add additional income streams to support our core work of supporting children and young people to thrive. 2019 saw the added income stream from the newly refurbished cottage at the grounds entrance. It is multi-use and has seen a welcome source of income from groups booking via the Air BnB website.

The centre would not be the success it is without the hard work and dedication of the superb Lodge Hill team guided by Lisa May, our dedicated CEO and the hours of voluntary work carried out by our highly motivated Trustees. We are incredibly lucky to receive wide ranging support from generous funders, sponsors and donors. Our President, Patrons and Company Members have played a significant role in the development and success of Lodge Hill through their continued support. I will finish this section with a special tribute to Lisa May. She has been instrumental in the survival of our charity through the pandemic. Without her hard work, leadership, ideas and relationships with key contacts, I am sure we wouldn't be as far ahead as we are now.

Development plan

In developing our business plan we recognised that the challenge for Lodge Hill was to become a viable and accessible, high-class provider of choice for users from West Sussex and beyond requiring outdoor activities, residential trips and day meetings/conferences, thus enabling the Trust to remain financially sustainable. We reaffirmed the Trust's mission to target a wide range of groups and individuals, including those with physical disabilities, mental health or learning difficulties and young offenders.

The business plan identified that in order to achieve this challenge the Trust would need to:

1. Maintain financial sustainability whilst ensuring Lodge Hill provides best value for money for young people
2. Maintain a professional and committed staff team
3. Maximise the use of facilities and establish on-going communications with key players and supporters
4. Maintain the centre and its facilities to a high standard and plan appropriate improvements
5. Establish joint initiatives with recognised partners and targeted funding.

The business plan is a 'live' document and as such is constantly being updated and refined.

b. Key performance indicators

The principle indicators of performance are financial reporting of current results compared to the budget numbers and previous years. The budget is formally adopted at a meeting of Trustees at the start of the year. Financial reports are prepared by the Accounts Manager and considered in detail by the Finance Committee four times per year. They are presented and discussed by the full board of trustees at each of their meetings. Client satisfaction and statistics of repeat bookings are also considered as performance indicators.

c. Events since the balance sheet date

As the pandemic restrictions began to ease, operations increased toward the end of 2020 and bookings are looking strong into 2021. Full operation in 2022 is expected now that most legal constraints due to Covid have been removed as of July 2021. Schools and groups have booked in droves, especially from mid-2021 and throughout 2022, into 2023. New customers have booked for residential and activity days who would previously have visited other centres.

Fundraising continues for recovery from Covid funds. We have been incredibly well supported by our funders throughout the Covid crisis and this support continues.

The WSCC SEND Team have awarded additional contract funds for Lodge Hill to provide support to families and young people to build confidence following the challenges of lock down periods they have endured.

At the time of writing the Trust has not utilised the CAF loan it took out as a safeguard when the pandemic began.

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Trustees' report (continued)
For the year ended 31 December 2020

d. Investment policy

The Trust has unrestricted authority to invest its funds in the furtherance of its charitable objectives. A proportion of retained reserves is held in the form of listed investments. It is the Trust's policy to have these managed by an independent investment manager under a discretionary mandate requiring a mix of equity and fixed income investments. Although the Trust has not adopted a specific ethical policy they have instructed the investment manager that they should refrain from investing in companies that undertake activities that are incompatible with the aims and objectives of Lodge Hill. The trustees review the performance of the investment manager periodically and consider the returns achieved to date to have been satisfactory.

Financial review

a. Financial review

2020 has been a particularly difficult year due to the Covid-19 pandemic preventing the trust from delivering residential and outdoor activities throughout most of the year. We were able to adapt our delivery in order to provide outdoor activities which has meant a smaller decrease of £23,736 in activities income. Residential income however has been hit much harder with decrease in income of £268,935. Despite being able to reduce some costs, the running and upkeep of the site has resulted in an overall deficit of £85,127 (2019: 426,642 surplus).

b. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

c. Reserves policy

The Trustees review the level of reserves regularly. Reserves are a key element of financial stability and allow the Trust to cope with the fluctuating nature and timing of cash flows. Reserves allow the Trust to deal with unexpected expenditure or changes in income and give time for appropriate action to be taken.

Structure, governance and management

a. Constitution

Lodge Hill Trust (the charity or the Trust) is a private company limited by guarantee under registered number 03590104, and a registered charity under charity number 1071041. It was incorporated on 30th June 1998 in the United Kingdom. The charity is governed by its Memorandum and Articles of Association.

b. Methods of appointment or election of Trustees

New trustees are recruited primarily by utilising the knowledge of the existing trustees who have a wide network of contacts in the voluntary and business communities in West Sussex. Potential trustees visit Lodge Hill and meet with the chairman and at least one other trustee. They are provided with background papers and receive a detailed briefing. If both sides feel that they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following the meeting a decision is made on whether to invite the individual to become a trustee.

When seeking new trustees Lodge Hill looks for:-

Compatibility with the charity's values, aims and way of working.

Availability to attend meetings, support activities, work on sub-committees, interact with staff and to encourage supporters.

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Trustees' report (continued)
For the year ended 31 December 2020

An enduring enthusiasm for the charity's objectives.

An ability to establish priorities and to make logical decisions.

They must be able to contribute effectively, to have listening skills and must have a willingness to share responsibilities.

While specialist expertise is not a pre-requisite, new trustees should enrich the diversity of the board.

Trustees must possess independence of mind and have the skill to challenge constructively, and be capable of and have experience of strategic thinking at board level. All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activity of Lodge Hill.

c. Organisational structure and decision-making policies

The trustees meet as a board on at least four occasions during the year. Closer involvement in the charity's activities is maintained by appropriate committees of trustees, staff, users and professional advisers. Each committee reports to the board and is chaired by a trustee. Committees that were in place in 2020 were:

Premises
Finance
Health and Safety
Marketing
Vision

The day-to-day activities have been directed by the Chief Executive, Lisa May, who works closely with the chairman of the Trustees. She is supported by her management team.

Wider network

Lodge Hill works with a wide range of youth and community organisations but does not have formal links with any wider network.

d. Pay policy for senior staff

The Finance Committee together with the Chairperson meet in December to consider salaries for key staff to be applied in the following financial year. The Committee consider proposals from the Chief Executive which take into account prevailing rates of pay in the local area together with any change in responsibilities. The Committee also consider the remuneration of the Chief Executive.

e. Related party relationships

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

The Trust owns the issued share capital of Lodge Hill Services Limited. This company is dormant and has not traded during the current financial year.

f. Financial risk management

The Trustees consider the risks faced by the Trust at a special meeting at the year end and also consider measures to reduce their likelihood and impact.

Sudden loss of income is the principle concern either from changes in the market which could reduce the capacity of the trust's clients to fund their visits or from damage to the facilities. The former risk is countered by sustained, targeted marketing and efforts to increase the breadth of its user groups. Risks to the facility are countered by careful management and an awareness of risks in the day to day operations.

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Trustees' report (continued)
For the year ended 31 December 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they 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 income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr Matthew Wykes, DipPFS

Date: 17-09-21.

Lodge Hill Trust
(A company limited by guarantee)

Independent examiner's report
For the year ended 31 December 2020

Independent examiner's report to the Trustees of Lodge Hill Trust ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company'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 (enter body here), 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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:



Dated: 20 September 2021

Simon Webber BA (Hons), DChA, FCA

Kreston Reeves LLP
Chartered Accountants
Chichester

Lodge Hill Trust

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**Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2020**

		Unrestricted funds		Restricted funds 2020	Total funds 2020	Total funds 2019
		General funds 2020	Designated funds 2020			
	Note	£	£	£	£	£
Income from:						
Donations and legacies	4	206,156	-	52,000	258,156	580,602
Charitable activities	5	218,814	-	-	218,814	555,791
Investments	6	1,687	-	-	1,687	1,274
Other income	7	30,375	-	-	30,375	29,278
Total income		457,032	-	52,000	509,032	1,166,945
Expenditure on:						
Charitable activities	8	498,560	77,721	23,812	600,093	752,148
Total expenditure		498,460	77,721	23,812	600,093	752,148
Net gains on investments		-	5,934	-	5,934	11,845
Net (expenditure)/income		(41,528)	(71,787)	28,188	(85,127)	426,642
Transfers between funds		-	-	-	-	-
Net movement in funds		(41,528)	(71,787)	28,188	(85,127)	426,642
Reconciliation of funds:						
Total funds brought forward		(80,310)	2,213,078	98,449	2,231,217	1,804,575
Net movement in funds		(41,528)	(71,787)	28,188	(85,127)	426,642
Total funds carried forward		(121,838)	2,141,291	126,637	2,146,090	2,231,217

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)
Registered number: 03590104

Balance sheet
As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	2,067,035	2,144,755
		2,067,035	2,144,755
Current assets			
Stocks	13	2,749	4,801
Debtors	14	3,227	29,785
Investments	15	74,255	68,321
Cash at bank and in hand		244,419	132,418
		324,650	235,325
Creditors: amounts falling due within one year	16	(71,932)	(110,325)
Net current assets		252,718	125,000
Total assets less current liabilities		2,319,753	2,269,755
Creditors: amounts falling due after more than one year	17	(173,663)	(38,538)
Net assets excluding pension asset		2,146,090	2,231,217
Total net assets		2,146,090	2,231,217
Charity funds			
Restricted funds	18	126,637	98,449
Unrestricted funds			
Designated funds	18	2,141,291	2,213,078
General funds	18	(121,838)	(80,310)
Total unrestricted funds	18	2,019,453	2,132,768
Total funds		2,146,090	2,231,217

Lodge Hill Trust

(A company limited by guarantee)

Registered number: 03590104

Balance sheet (continued)

As at 31 December 2020

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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



Mr Matthew Wykes, DipPFS

Date: 17-09-20.

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	20	(39,686)	545,623
Cash flows from investing activities			
Dividends, interests and rents from investments		1,687	1,274
Purchase of tangible fixed assets		-	(596,891)
Proceeds from sale of investments		-	60,000
Net cash provided by/(used in) investing activities		1,687	(535,617)
Cash flows from financing activities			
Cash inflows from new borrowing		150,000	-
New finance leases		-	35,157
Net cash provided by financing activities		150,000	35,157
Change in cash and cash equivalents in the year		112,001	45,163
Cash and cash equivalents at the beginning of the year		132,418	87,255
Cash and cash equivalents at the end of the year	21	244,419	132,418

The notes on pages 14 to 33 form part of these financial statements

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

1. General information

Lodge Hill Trust is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of its registered office is:

Lodge Hill
Watersfield
Pulborough
West Sussex
RH20 1LZ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lodge Hill Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held 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 charity has been materially affected by the global Covid 19 pandemic which emerged in early 2020. The related government imposed restrictions severely constrained the usual range of activities, whether on a residential or non-residential basis. There has been a significant loss of income compared with what had been expected, although the charity has managed to adapt its service offering. This includes increased support and intervention work with vulnerable families and young people.

The detrimental impact of Covid 19 on the charity's operating cash flow has been addressed by a range of measures including support from donors, control of costs, participation in, the government's Coronavirus Job Retention Scheme, £50,000 of new funding under the Bounce Back Loan scheme and a further £100,000 5 year loan facility secured against the charity's estate.

It is considered these measures will be sufficient to ensure operations can continue for 12 months from the date of financial statement approval. Furthermore, the Charity has been able to revert to normal trading activity in 2021, with the lifting of government restrictions.

Accordingly, the trustees conclude that it is appropriate to adopt the going concern basis in preparing the financial statements.

Notes to the financial statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Notes to the financial statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following bases.

Depreciation is provided on the following bases:

Freehold property, meeting hall and campsite	- 2 - 5% straight line
Kitchen, campsite and outdoor equipment	- 10 - 25% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 25% straight line

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The company 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.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

In the past the company operated a defined benefits pension scheme for former employees. The scheme is a multi employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the financial statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Multi-employer defined benefit pension scheme

Certain former employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgement of the trustees, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see pension note for further details.

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations - Individuals	6,285	500	6,785	10,265
Donations - Trusts	78,650	48,500	127,150	486,512
Donations - Others	-	3,000	3,000	60,825
Local authority grants	-	-	-	23,000
CJRS grant	121,221	-	121,221	-
	<u>206,156</u>	<u>52,000</u>	<u>258,156</u>	<u>580,602</u>
Total 2019	<u>8,324</u>	<u>572,278</u>	<u>580,602</u>	

Income from donations and legacies for 2019 was £8,324 of unrestricted income and £572,278 of restricted income.

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Residential and other charges	81,320	81,320	350,255
Day conferences	15,905	15,905	55,365
Activities	117,711	117,711	141,447
Campsite hire	3,878	3,878	8,724
Total 2020	<u>218,814</u>	<u>218,814</u>	<u>555,791</u>
Total 2019	<u>555,791</u>	<u>555,791</u>	

Income from charitable activities for 2019 was £555,791 of unrestricted income and £nil of restricted income.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
UK quoted investments	1,595	1,595	1,167
UK bank accounts	92	92	107
	<u>1,687</u>	<u>1,687</u>	<u>1,274</u>
Total 2019	<u>1,274</u>	<u>1,274</u>	

Investment income for 2019 was £1,274 of unrestricted income and £nil of restricted income.

7. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Phone mast income	15,201	15,201	15,203
Rental income	11,674	11,674	10,675
Staff accommodation income	3,500	3,500	3,400
	<u>30,375</u>	<u>30,375</u>	<u>29,278</u>
Total 2019	<u>29,278</u>	<u>29,278</u>	

Other incoming resources for 2019 was £29,278 of unrestricted income and £nil of restricted income.

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Activities	<u>587,939</u>	<u>12,154</u>	<u>600,093</u>	<u>752,148</u>
Total 2019	<u>731,484</u>	<u>20,664</u>	<u>752,148</u>	

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	365,653	365,653	447,533
Staff training and welfare	2,500	2,500	6,437
Activities expenses	9,223	9,223	8,718
Cleaning and laundry	1,403	1,403	4,358
Course expenses	80	80	976
Domestic services	7,556	7,556	36,465
Equipment purchased	5,594	5,594	12,875
Instructors	748	748	3,864
Uniform	107	107	916
Insurance	20,370	20,370	15,675
Light and heat	24,390	24,390	37,954
Motor and travel	1,558	1,558	4,214
Printing, postage and stationery	2,698	2,698	3,810
Rates	8,317	8,317	16,396
Depreciation	77,721	77,721	76,563
Repairs and maintenance	48,452	48,452	47,477
Telephone	4,651	4,651	4,667
Sundry expenses	2,506	2,506	645
Interest	4,412	4,412	1,941
	587,939	587,939	731,484
Total 2019	731,484	731,484	

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff training and welfare	1,201	1,201	4,006
Legal and professional	1,834	1,834	4,182
Activities expenses	1,022	1,022	1,188
Governance costs	8,097	8,097	11,288
	<u>12,154</u>	<u>12,154</u>	<u>20,664</u>
Total 2019	<u>20,664</u>	<u>20,664</u>	

Governance costs comprise of audit fees of £nil (2019: £7,500), independent examination fees of £3,600 (2019: £nil) and other accountancy fees of £4,497 (2019: £3,788).

9. Independent examiner's remuneration

	2020 £	2019 £
Fees payable to the company's independent examiner for the independent examination of the company's annual accounts	3,600	-
Fees payable to the company's independent examiner in respect of:		
Audit of the annual accounts	-	7,500
All other services not included above	4,497	3,788

10. Staff costs

	2020 £	2019 £
Wages and salaries	343,260	411,112
Social security costs	18,186	24,301
Pension costs	4,207	12,120
	<u>365,653</u>	<u>447,533</u>

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

10. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2020	2019
	No.	No.
Full and part time staff	27	29

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
	No.	No.
In the band £60,001 - £70,000	1	-

Details of key management personnel can be found on the information page. The total amount of employee benefits (including employer pension contributions) received by key management personnel for the services to the charity were £179,632 (2019: £176,971).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

12. Tangible fixed assets

	Freehold property, meeting hall and campsite £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2020	2,701,242	342,722	3,043,964
At 31 December 2020	2,701,242	342,722	3,043,964
Depreciation			
At 1 January 2020	646,176	253,033	899,209
Charge for the year	53,550	24,170	77,720
At 31 December 2020	699,726	277,203	976,929
Net book value			
At 31 December 2020	2,001,516	65,519	2,067,035
At 31 December 2019	2,055,066	89,689	2,144,755

The net book value of assets held under finance leases or high purchase contracts, included above, is £27,653 (2019: £34,566).

13. Stocks

	2020 £	2019 £
Catering	1,310	2,927
Finished goods and goods for resale	1,439	1,874
	2,749	4,801

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	46	20,912
Prepayments and accrued income	3,181	8,873
	<u>3,227</u>	<u>29,785</u>
	<u><u>3,227</u></u>	<u><u>29,785</u></u>

15. Current asset investments

	2020 £	2019 £
Listed investments	73,877	67,943
Unlisted investments	378	378
	<u>74,255</u>	<u>68,321</u>
	<u><u>74,255</u></u>	<u><u>68,321</u></u>

16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	4,723	-
Trade creditors	12,104	46,893
Other taxation and social security	26,743	23,000
Obligations under finance lease and hire purchase contracts	8,013	7,200
Other creditors	2,475	4,216
Accruals and deferred income	17,874	29,016
	<u>71,932</u>	<u>110,325</u>
	<u><u>71,932</u></u>	<u><u>110,325</u></u>
	2020 £	2019 £
Deferred income at 1 January 2020	20,166	15,457
Resources deferred during the year	12,924	20,166
Amounts released from previous periods	(20,166)	(15,457)
	<u>12,924</u>	<u>20,166</u>
	<u><u>12,924</u></u>	<u><u>20,166</u></u>

Deferred income comprises of phone mast income £12,668 (2019: £15,201), rental income of £256 (2019: £256), residential income of £nil (2019: £2,549) and activities income of £nil (2019: £2,160).

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Notes to the financial statements
For the year ended 31 December 2020

17. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank loans	145,277	-
Net obligations under finance lease and hire purchase contracts	20,279	27,957
Other creditors	8,107	10,581
	173,663	38,538

A Bank loan of £100,000, included in creditors falling due after more than one year, is secured by a fixed charge over the tangible fixed assets of the Charity.

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
Fixed asset fund	2,144,755	-	(77,721)	-	2,067,034
Continuity reserve	68,323	-	-	5,934	74,257
	<u>2,213,078</u>	<u>-</u>	<u>(77,721)</u>	<u>5,934</u>	<u>2,141,291</u>
General funds					
General Fund	<u>(80,310)</u>	<u>457,032</u>	<u>(498,560)</u>	<u>-</u>	<u>(121,838)</u>
Total Unrestricted funds	<u>2,132,768</u>	<u>457,032</u>	<u>(576,281)</u>	<u>5,934</u>	<u>2,019,453</u>
Restricted funds					
Tennis court	1,838	-	-	-	1,838
Rank foundation	820	-	-	-	820
Sno-tubing	899	-	-	-	899
Adapted golf buggy	2,410	-	-	-	2,410
ChallengeU	21,452	48,500	(19,101)	-	50,851
Small restricted funds	2,935	-	(162)	-	2,773
In memory of P Hardwick	2,248	-	(1,818)	-	430
The Vision Project- Phase 2	56,549	-	-	-	56,549
20th Anniversary	5,094	-	-	-	5,094
We Cycle Too	1,500	-	-	-	1,500
Kayaks	2,704	-	-	-	2,704
Telescope	-	3,000	(2,731)	-	269
Christmas pudding concert	-	500	-	-	500
	<u>98,449</u>	<u>52,000</u>	<u>(23,812)</u>	<u>-</u>	<u>126,637</u>
Total of funds	<u>2,231,217</u>	<u>509,032</u>	<u>(600,093)</u>	<u>5,934</u>	<u>2,146,090</u>

Notes to the financial statements
For the year ended 31 December 2020

18. Statement of funds (continued)

Designated funds:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The Continuity reserve is the balance of the current asset investments' value.

General funds:

The trustees have considered the deficit in the general fund and consider this to be temporary, and have therefore not considered it necessary to draw down on the continuity fund. The trustees will review this position in future years, should the situation change.

Restricted funds:

Tennis court - funds received to cover the costs of building and maintaining the tennis court.

Rank foundation - funds received to cover the costs of a students living and general expenses whilst completing an apprenticeship at Lodge Hill.

Sno tubing funds - received to cover the costs of building and maintaining the sno tubing activity.

Golf buggy - funds received toward the costs of an adapted golf buggy which will be purchased once sufficient funds have been raised.

ChallengeU funds - received to cover certain staffing costs of the ChallengeU project.

The Vision Project - funds received in relation to the refurbishment and extension of the kitchen, dining and residential facilities in order to accommodate the increasingly larger groups wishing to visit Lodge Hill. Funds were received from many donors, including but not limited to: Individual donations, Garfield Weston, Bradbury Foundation, ACT Foundation, Ernest Kleinwort Charitable Trust, Edward Gosling Foundation, Foyle Foundation, Hobsons Charity, Beatrice Laing Foundation and Bassil Shippham and Alsford Trust. Upon expenditure of the restricted income received into this fund, on capital items within the restriction, the fund balance is transferred to the designated fixed asset fund, as it is no longer available for expenditure.

In memory of P Hardwick - funds received in memory of the late President, Penny Hardwick. These funds are being applied to the Vision Project which she fully supported.

20th Anniversary - Lodge Hill has successfully raised funds to install a bespoke disability suite with adjacent carers bedroom and en-suite on the ground floor of Hardwick Hall. Lodge Hill now needs to raise £3,000 for soft furnishings, an intercom system and equipment to make the suite comfortable and homely for future visitors.

We Cycle Too - This donation was made to maintain the Disability Bikes which were gifted to Lodge Hill in 2018.

Kayaks - This funding was given by the Hedley Foundation for the purchase of Kayaks and equipment.

Telescore - These funds were donated by the Rotary Club of Storrington and Pulborough District for the purchase of a telescope and training for delivery of sessions.

Christmas Pudding Concert - This funding was raised to be used for the fixtures and fittings for the Disability Suite, when complete.

The Trustees are satisfied that there are adequate resources available to enable each of the above funds to be applied in accordance with the restrictions imposed.

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

18. Statement of funds (continued)

Statement of funds - prior year

	1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	31 December 2019 £
Unrestricted funds						
Designated funds						
Fixed asset fund	1,624,423	-	(76,563)	596,895	-	2,144,755
Continuity reserve	116,478	-	-	(60,000)	11,845	68,323
	<u>1,740,901</u>	<u>-</u>	<u>(76,563)</u>	<u>536,895</u>	<u>11,845</u>	<u>2,213,078</u>
 General Fund	 (29,062)	 594,667	 (652,635)	 6,720	 -	 (80,310)
	<u>1,711,839</u>	<u>594,667</u>	<u>(729,198)</u>	<u>543,615</u>	<u>11,845</u>	<u>2,132,768</u>
 Restricted funds						
Tennis court	1,838	-	-	-	-	1,838
Rank foundation	820	-	-	-	-	820
Sno-tubing	899	-	-	-	-	899
Golf buggy	2,410	-	-	-	-	2,410
ChallengeU	16,402	28,000	(22,950)	-	-	21,452
Small restricted funds	2,935	-	-	-	-	2,935
In memory of P Hardwick	2,248	-	-	-	-	2,248
The Vision Project- 1	65,184	478,431	-	(543,615)	-	-
The Vision Project- 2	-	56,549	-	-	-	56,549
20th Anniversary	-	5,094	-	-	-	5,094
We Cycle Too	-	1,500	-	-	-	1,500
Kayaks	-	2,704	-	-	-	2,704
	<u>92,736</u>	<u>572,278</u>	<u>(22,950)</u>	<u>(543,615)</u>	<u>-</u>	<u>98,449</u>

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Notes to the financial statements
For the year ended 31 December 2020

18. Statement of funds (continued)

Total of funds	1,804,575	1,166,945	(752,148)	-	11,845	2,231,217
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19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	2,067,035	-	2,067,035
Current assets	198,013	126,637	324,650
Creditors due within one year	(217,209)	-	(217,209)
Creditors due in more than one year	(28,386)	-	(28,386)
Total	2,019,453	126,637	2,146,090

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	2,144,755	-	2,144,755
Current assets	136,876	98,449	235,325
Creditors due within one year	(110,325)	-	(110,325)
Creditors due in more than one year	(38,538)	-	(38,538)
Total	2,132,768	98,449	2,231,217

Notes to the financial statements
For the year ended 31 December 2020

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(85,127)	426,642
Adjustments for:		
Depreciation charges	77,720	76,563
(Gains)/losses on investments	(5,934)	(11,845)
Dividends, interests and rents from investments	(1,687)	(1,274)
Decrease in stocks	2,052	845
Decrease/(increase) in debtors	26,558	(4,156)
Increase/(decrease) in creditors	(53,268)	58,848
Net cash provided by/(used in) operating activities	(39,686)	545,623

21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	244,419	132,418
Total cash and cash equivalents	244,419	132,418

22. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	Finance leases £	Changes in market value and exchange rate movements £	At 31 December 2020 £
Cash at bank and in hand	132,418	118,866	(6,865)	-	244,419
Debt due within 1 year	-	(4,723)	-	-	(4,723)
Debt due after 1 year	-	(145,277)	-	-	(145,277)
Finance leases	(35,157)	-	6,865	-	(28,292)
Liquid investments	68,321	-	-	5,934	74,255
	165,582	(31,134)	-	5,934	140,382

Notes to the financial statements
For the year ended 31 December 2020

23. Pension commitments

Defined contribution scheme:

For current employees, Lodge Hill Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charged to the statement of financial activities represents contributions payable by the charity to the fund and amounted to £4,809 (2019: £4,022). There were outstanding contributions at the balance sheet date of £nil. (2019: £1,813).

Multi employer defined benefit pension scheme:

For certain former employees, Lodge Hill Trust participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Plan is a multi employer defined pension plan. The charity's eligible employees are auto enrolled into the pension scheme with The Pensions Trust.

The Plan is a multi employer scheme where the plan assets are co-mingled for investment purposes, and benefits are paid from the total Plan assets. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the underlying assets and liabilities belonging to the individual participating employers. Due to the nature of the Plan, the accounting charge for the year under FRS102 represents the employer contribution payable.

The rules of the Plan give the Trustees the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as technical provisions.

If the actuarial valuation reveals a deficit, the Trustees will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

The total employer contribution made for the year ended 31 December 2020 was £2,603 (2018: £2,191). The agreed normal contribution rates for future years are 3% for the employer and 5% for the employees. At the year end there were outstanding contributions of £nil (2019: £nil). As at the balance sheet date there were 0 active members of the Plan employed by Lodge Hill Trust.

Actuarial valuations are carried out every three years for funding purposes using the projected unit method. The funding position is calculated by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The most recent valuation available results are as at 30 September 2017. The market value of the Plan's assets at the valuation date was £796 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £132 million, equivalent to a funding level of 86%.

Regulations require the Trustee to set a prudent basis for valuing the Scheme's benefits, taking into account the strength of the employers' covenant and the Scheme Actuary's advice. The Trustee is also required to consult with employers or their representative. The Growth Plan Employer Consultative Group (GPECG), which acts as the employers' representative for the purposes of Scheme funding, have been consulted on the valuation basis and assumptions. The value of the liabilities on this on going basis is

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

23. Pension commitments (continued)

known as the Technical Provisions.

Where a Scheme's assets are less than the Technical Provisions a recovery plan must be put in place to show how the deficit can be eliminated over a fixed period. The recovery plan must be submitted to The Pensions Regulator who may investigate schemes and require changes where the Technical Provisions are set at too low a level or where the recovery period is too long. The recovery plan for the Growth Plan aims to eliminate the deficit via a combination of additional contributions from employers and investment returns. The results of the 30 September 2015 valuation showed a reduction of eight months in the length of the recovery plan, which will now end on 31 January 2025 instead of 30 September 2025.

Under FRS 102 the amount of additional contributions for Lodge Hill Trust in the period to 31 January 2025 have been included as a liability in the accounts.

24. Operating lease commitments

At 31 December 2020 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than 1 year	4,584	4,584
Later than 1 year and not later than 5 years	2,292	6,876
	6,876	11,460

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2020	2019
	£	£
Operating lease rentals	4,584	4,584

25. Related party transactions

There were no transactions with related parties in the year (2019: £nil).

26. Controlling party

The company is controlled on a day to day basis by the trustees who are the directors of the company.

27. Supporters of Lodge Hill

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

Registered number: 03590104
Charity number: 1071041

Lodge Hill Trust
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Unaudited

Trustees' report and financial statements

For the year ended 31 December 2020

Lodge Hill Trust
(A company limited by guarantee)

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Lodge Hill Trust
(A company limited by guarantee)

Reference and administrative details of the company, its Trustees and advisers
For the year ended 31 December 2020

Trustees

Mr Matthew Wykes, DipPFS, Chairman
Mr Guy Nelson, MA (Ed); NPQH
Mr Richard Whittaker
Ms Penny Barnes
Mr Robert Allison, FCA, BSc (hons) (resigned 8 December 2020)
Ms Shirley Robinson-Viney
Ms Lyn Aaron Ferringo (resigned 20 March 2020)

Company registered number

03590104

Charity registered number

1071041

Registered office

Lodge Hill, Watersfield, Pulborough, West Sussex, RH20 1LZ

Company secretary

Ms Kathryn Collet BSc (hons) (resigned 28 January 2020)
Shirley Robinson-Viney (appointed 28 January 2020)

President

Col. Sir Brian Barttelot, Bt; OBE; DL

Accountants

Kreston Reeves LLP, 9 Donnington Park, 85 Birdham Road, Chichester, West Sussex, PO20 7AJ

Bankers

CAF Bank Ltd, Kings Hill, West Malling, Kent, ME19 4JQ

Solicitors

Miller Parris, Broadwater, Worthing, West Sussex, BN14 8JB

Investment advisors

Waverton Investment Management Ltd, 16 Babmaes Street, London, SW1Y 6AH

Key Management Personnel

Lisa May BSc (hons); Dip HSW, Chief Executive Officer
Katie Collet, BSc, Finance Manager
Richard Tomkins, House Manager (resigned September 2020)
Thomas Dutson, Activities Manager

Lodge Hill Trust

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Reference and administrative details of the company, its Trustees and advisers (continued)
For the year ended 31 December 2020

Patrons

Mrs Susan Pyper (Lord Lieutenant of West Sussex)

Col. Sir Brian Barttelot, Bt; OBE; DL

The Lord Dholakia, OBE;DL

Sylvia Countess of Limerick, CBE

Lodge Hill Trust
(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2020

The Trustees present their annual report together with the financial statements of the company for the 1 January 2020 to 31 December 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objectives and aims

The aim and purpose of the Trust is to ensure that the young people and others of West Sussex and beyond enjoy the educational benefits available at the Centre.

The objects of the Trust set this out as:

- 1) The advancement of the education of young people, primarily those resident in the county of West Sussex, by helping them to develop their mental and physical capacities that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved.
- 2) The provisions of facilities for the further education of adults, primarily those resident in the county of West Sussex.

b. Charitable activities

Under the Charities Act 2006, the trustees are required to report on how the Trust has carried out its aims for the public benefit.

The Trust's objects are set out in the Memorandum of Association and include particularly the advancement of the education of young people and the provision of the facilities for the further education of adults.

The Charity Commission has set out 2 key principles of public benefit, being that there must be identifiable benefits which are related to the Trust's aims and that the benefit must be for the public or a section of the public.

A) Identifiable benefits related to the objects of the Trust include the following:

1. Provision of Facilities

The 32-acre site at Lodge Hill includes a camp site, residential accommodation, outdoor activities and meeting and conference facilities.

2. Giving an education

The Trust's employees include instructors who are trained in the use of all the facilities at the site enabling all the users to be educated in their use. The instructors are not only able to teach users how to achieve personal targets but also, very importantly, how to achieve those targets as a part of a group or team. The Trust achieved accreditation with "Learning Outside the Classroom".

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2020

3. Preserving the environment

The Trust's 32 acre site is mainly woodland which is maintained by the Trust's employees for the benefit of all the users generally but also allowing, particularly, school groups, to fulfil educational requirements arising from the national curriculum.

B) The benefit for the public can be illustrated as follows:

1. In the year ended 31st December 2020, there were approx. 14,000 users (mainly children and young people) who visited Lodge Hill. This was due to reduced operations due to the pandemic and the restrictions put in place. School and larger groups were not able to visit Lodge Hill. We were however, able to continue supporting vulnerable young people and SEND families throughout the year.
2. Many of these users were young people that took part in activities organised by the outdoor instructors during the period.

The Trust has made it a particular priority to ensure that the centre's facilities are available for disabled users and our work in this regard has been recognised by the Go Easy Improving Access Awards in conjunction with Chichester District Council. The now inclusive facilities have attracted a spectrum of users.

Achievements and performance

a. Chairman's Report

At Lodge Hill we regularly review the site and the activities on offer to ensure we keep up with the changing needs of our customers and their range of requirements. Our main objective is to secure our long-term future with a number of initiatives. Ultimately, we strive to be the prime provider of outdoor activities for young people.

On paper, 2020 was going to be a record year, the first year we started to attract overseas groups and bookings were extending over what would have previously been described as, quieter months.

We have been severely tested with the pandemic that struck at the end of February. Lisa May's endeavours to secure donations, funding and grants have seen us survive an unprecedented attack on our very survival as a charity.

We maintained a core staff presence to maintain site and manage the increasing numbers of vulnerable young people that required 1:1 support. We maintained our commitment to the ChallengeU project on a 1:1 basis also. The rest of our team were furloughed.

As the lockdowns ensued, Lisa and I took the opportunity to review how we would recover from this situation and what our structure and service would look like going forward.

We are confident we will have the right people in the right places and be in a very strong position to maximise occupancy, service the contracts in place and come out of the lockdown much leaner and more capable to deliver full-service levels.

Phase two of our Vision was delayed due to the pandemic but we are still on course to deliver a disability suite with adjacent carers' room.

We are still committed to selling a small parcel of land on the North East boundary. This will secure enough funding to place funds into reserve. It will also allow us to move forward on our expansive modernizing and maintenance programme.

Our core business is schools in a day visit or residential capacity. We have a strong and growing relationship with West Sussex County Council and are one of their preferred providers of activities for family groups with a disabled child or young person. The ChallengeU programme for young people that have offended, are at risk of offending or have disengaged with society or education is becoming an increasing influence on our overall

Lodge Hill Trust
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Trustees' report (continued)
For the year ended 31 December 2020

offering at Lodge Hill and the need increases with much younger young people requiring intervention and support than we had anticipated. The centre is licensed for weddings and we have a unique offering for those wishing to share their special day at Lodge Hill. We have great conference facilities to host meetings, corporate events and presentations that add additional income streams to support our core work of supporting children and young people to thrive. 2019 saw the added income stream from the newly refurbished cottage at the grounds entrance. It is multi-use and has seen a welcome source of income from groups booking via the Air BnB website.

The centre would not be the success it is without the hard work and dedication of the superb Lodge Hill team guided by Lisa May, our dedicated CEO and the hours of voluntary work carried out by our highly motivated Trustees. We are incredibly lucky to receive wide ranging support from generous funders, sponsors and donors. Our President, Patrons and Company Members have played a significant role in the development and success of Lodge Hill through their continued support. I will finish this section with a special tribute to Lisa May. She has been instrumental in the survival of our charity through the pandemic. Without her hard work, leadership, ideas and relationships with key contacts, I am sure we wouldn't be as far ahead as we are now.

Development plan

In developing our business plan we recognised that the challenge for Lodge Hill was to become a viable and accessible, high-class provider of choice for users from West Sussex and beyond requiring outdoor activities, residential trips and day meetings/conferences, thus enabling the Trust to remain financially sustainable. We reaffirmed the Trust's mission to target a wide range of groups and individuals, including those with physical disabilities, mental health or learning difficulties and young offenders.

The business plan identified that in order to achieve this challenge the Trust would need to:

1. Maintain financial sustainability whilst ensuring Lodge Hill provides best value for money for young people
2. Maintain a professional and committed staff team
3. Maximise the use of facilities and establish on-going communications with key players and supporters
4. Maintain the centre and its facilities to a high standard and plan appropriate improvements
5. Establish joint initiatives with recognised partners and targeted funding.

The business plan is a 'live' document and as such is constantly being updated and refined.

b. Key performance indicators

The principle indicators of performance are financial reporting of current results compared to the budget numbers and previous years. The budget is formally adopted at a meeting of Trustees at the start of the year. Financial reports are prepared by the Accounts Manager and considered in detail by the Finance Committee four times per year. They are presented and discussed by the full board of trustees at each of their meetings. Client satisfaction and statistics of repeat bookings are also considered as performance indicators.

c. Events since the balance sheet date

As the pandemic restrictions began to ease, operations increased toward the end of 2020 and bookings are looking strong into 2021. Full operation in 2022 is expected now that most legal constraints due to Covid have been removed as of July 2021. Schools and groups have booked in droves, especially from mid-2021 and throughout 2022, into 2023. New customers have booked for residential and activity days who would previously have visited other centres.

Fundraising continues for recovery from Covid funds. We have been incredibly well supported by our funders throughout the Covid crisis and this support continues.

The WSCC SEND Team have awarded additional contract funds for Lodge Hill to provide support to families and young people to build confidence following the challenges of lock down periods they have endured.

At the time of writing the Trust has not utilised the CAF loan it took out as a safeguard when the pandemic began.

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Trustees' report (continued)
For the year ended 31 December 2020

d. Investment policy

The Trust has unrestricted authority to invest its funds in the furtherance of its charitable objectives. A proportion of retained reserves is held in the form of listed investments. It is the Trust's policy to have these managed by an independent investment manager under a discretionary mandate requiring a mix of equity and fixed income investments. Although the Trust has not adopted a specific ethical policy they have instructed the investment manager that they should refrain from investing in companies that undertake activities that are incompatible with the aims and objectives of Lodge Hill. The trustees review the performance of the investment manager periodically and consider the returns achieved to date to have been satisfactory.

Financial review

a. Financial review

2020 has been a particularly difficult year due to the Covid-19 pandemic preventing the trust from delivering residential and outdoor activities throughout most of the year. We were able to adapt our delivery in order to provide outdoor activities which has meant a smaller decrease of £23,736 in activities income. Residential income however has been hit much harder with decrease in income of £268,935. Despite being able to reduce some costs, the running and upkeep of the site has resulted in an overall deficit of £85,127 (2019: 426,642 surplus).

b. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

c. Reserves policy

The Trustees review the level of reserves regularly. Reserves are a key element of financial stability and allow the Trust to cope with the fluctuating nature and timing of cash flows. Reserves allow the Trust to deal with unexpected expenditure or changes in income and give time for appropriate action to be taken.

Structure, governance and management

a. Constitution

Lodge Hill Trust (the charity or the Trust) is a private company limited by guarantee under registered number 03590104, and a registered charity under charity number 1071041. It was incorporated on 30th June 1998 in the United Kingdom. The charity is governed by its Memorandum and Articles of Association.

b. Methods of appointment or election of Trustees

New trustees are recruited primarily by utilising the knowledge of the existing trustees who have a wide network of contacts in the voluntary and business communities in West Sussex. Potential trustees visit Lodge Hill and meet with the chairman and at least one other trustee. They are provided with background papers and receive a detailed briefing. If both sides feel that they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following the meeting a decision is made on whether to invite the individual to become a trustee.

When seeking new trustees Lodge Hill looks for:-

Compatibility with the charity's values, aims and way of working.

Availability to attend meetings, support activities, work on sub-committees, interact with staff and to encourage supporters.

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Trustees' report (continued)
For the year ended 31 December 2020

An enduring enthusiasm for the charity's objectives.

An ability to establish priorities and to make logical decisions.

They must be able to contribute effectively, to have listening skills and must have a willingness to share responsibilities.

While specialist expertise is not a pre-requisite, new trustees should enrich the diversity of the board.

Trustees must possess independence of mind and have the skill to challenge constructively, and be capable of and have experience of strategic thinking at board level. All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activity of Lodge Hill.

c. Organisational structure and decision-making policies

The trustees meet as a board on at least four occasions during the year. Closer involvement in the charity's activities is maintained by appropriate committees of trustees, staff, users and professional advisers. Each committee reports to the board and is chaired by a trustee. Committees that were in place in 2020 were:

Premises
Finance
Health and Safety
Marketing
Vision

The day-to-day activities have been directed by the Chief Executive, Lisa May, who works closely with the chairman of the Trustees. She is supported by her management team.

Wider network

Lodge Hill works with a wide range of youth and community organisations but does not have formal links with any wider network.

d. Pay policy for senior staff

The Finance Committee together with the Chairperson meet in December to consider salaries for key staff to be applied in the following financial year. The Committee consider proposals from the Chief Executive which take into account prevailing rates of pay in the local area together with any change in responsibilities. The Committee also consider the remuneration of the Chief Executive.

e. Related party relationships

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.

The Trust owns the issued share capital of Lodge Hill Services Limited. This company is dormant and has not traded during the current financial year.

f. Financial risk management

The Trustees consider the risks faced by the Trust at a special meeting at the year end and also consider measures to reduce their likelihood and impact.

Sudden loss of income is the principle concern either from changes in the market which could reduce the capacity of the trust's clients to fund their visits or from damage to the facilities. The former risk is countered by sustained, targeted marketing and efforts to increase the breadth of its user groups. Risks to the facility are countered by careful management and an awareness of risks in the day to day operations.

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Trustees' report (continued)
For the year ended 31 December 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they 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 income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr Matthew Wykes, DipPFS

Date: 17-09-21.

Lodge Hill Trust
(A company limited by guarantee)

Independent examiner's report
For the year ended 31 December 2020

Independent examiner's report to the Trustees of Lodge Hill Trust ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company'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 (enter body here), 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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:



Dated: 20 September 2021

Simon Webber BA (Hons), DChA, FCA

Kreston Reeves LLP
Chartered Accountants
Chichester

Lodge Hill Trust

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) For the year ended 31 December 2020

	Note	Unrestricted funds		Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
		General funds 2020 £	Designated funds 2020 £			
Income from:						
Donations and legacies	4	206,156	-	52,000	258,156	580,602
Charitable activities	5	218,814	-	-	218,814	555,791
Investments	6	1,687	-	-	1,687	1,274
Other income	7	30,375	-	-	30,375	29,278
Total income		457,032	-	52,000	509,032	1,166,945
Expenditure on:						
Charitable activities	8	498,560	77,721	23,812	600,093	752,148
Total expenditure		498,460	77,721	23,812	600,093	752,148
Net gains on investments		-	5,934	-	5,934	11,845
Net (expenditure)/income		(41,528)	(71,787)	28,188	(85,127)	426,642
Transfers between funds		-	-	-	-	-
Net movement in funds		(41,528)	(71,787)	28,188	(85,127)	426,642
Reconciliation of funds:						
Total funds brought forward		(80,310)	2,213,078	98,449	2,231,217	1,804,575
Net movement in funds		(41,528)	(71,787)	28,188	(85,127)	426,642
Total funds carried forward		(121,838)	2,141,291	126,637	2,146,090	2,231,217

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)
Registered number: 03590104

Balance sheet
As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	2,067,035	2,144,755
		2,067,035	2,144,755
Current assets			
Stocks	13	2,749	4,801
Debtors	14	3,227	29,785
Investments	15	74,255	68,321
Cash at bank and in hand		244,419	132,418
		324,650	235,325
Creditors: amounts falling due within one year	16	(71,932)	(110,325)
Net current assets		252,718	125,000
Total assets less current liabilities		2,319,753	2,269,755
Creditors: amounts falling due after more than one year	17	(173,663)	(38,538)
Net assets excluding pension asset		2,146,090	2,231,217
Total net assets		2,146,090	2,231,217
Charity funds			
Restricted funds	18	126,637	98,449
Unrestricted funds			
Designated funds	18	2,141,291	2,213,078
General funds	18	(121,838)	(80,310)
Total unrestricted funds	18	2,019,453	2,132,768
Total funds		2,146,090	2,231,217

Lodge Hill Trust

(A company limited by guarantee)

Registered number: 03590104

Balance sheet (continued)

As at 31 December 2020

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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



Mr Matthew Wykes, DipPFS

Date: 17-09-20.

The notes on pages 14 to 33 form part of these financial statements.

Lodge Hill Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	20	(39,686)	545,623
Cash flows from investing activities			
Dividends, interests and rents from investments		1,687	1,274
Purchase of tangible fixed assets		-	(596,891)
Proceeds from sale of investments		-	60,000
Net cash provided by/(used in) investing activities		1,687	(535,617)
Cash flows from financing activities			
Cash inflows from new borrowing		150,000	-
New finance leases		-	35,157
Net cash provided by financing activities		150,000	35,157
Change in cash and cash equivalents in the year		112,001	45,163
Cash and cash equivalents at the beginning of the year		132,418	87,255
Cash and cash equivalents at the end of the year	21	244,419	132,418

The notes on pages 14 to 33 form part of these financial statements

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

1. General information

Lodge Hill Trust is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of its registered office is:

Lodge Hill
Watersfield
Pulborough
West Sussex
RH20 1LZ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lodge Hill Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held 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 charity has been materially affected by the global Covid 19 pandemic which emerged in early 2020. The related government imposed restrictions severely constrained the usual range of activities, whether on a residential or non-residential basis. There has been a significant loss of income compared with what had been expected, although the charity has managed to adapt its service offering. This includes increased support and intervention work with vulnerable families and young people.

The detrimental impact of Covid 19 on the charity's operating cash flow has been addressed by a range of measures including support from donors, control of costs, participation in, the government's Coronavirus Job Retention Scheme, £50,000 of new funding under the Bounce Back Loan scheme and a further £100,000 5 year loan facility secured against the charity's estate.

It is considered these measures will be sufficient to ensure operations can continue for 12 months from the date of financial statement approval. Furthermore, the Charity has been able to revert to normal trading activity in 2021, with the lifting of government restrictions.

Accordingly, the trustees conclude that it is appropriate to adopt the going concern basis in preparing the financial statements.

Notes to the financial statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Notes to the financial statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following bases.

Depreciation is provided on the following bases:

Freehold property, meeting hall and campsite	- 2 - 5% straight line
Kitchen, campsite and outdoor equipment	- 10 - 25% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 25% straight line

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The company 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.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

In the past the company operated a defined benefits pension scheme for former employees. The scheme is a multi employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the financial statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Multi-employer defined benefit pension scheme

Certain former employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgement of the trustees, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see pension note for further details.

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations - Individuals	6,285	500	6,785	10,265
Donations - Trusts	78,650	48,500	127,150	486,512
Donations - Others	-	3,000	3,000	60,825
Local authority grants	-	-	-	23,000
CJRS grant	121,221	-	121,221	-
	<u>206,156</u>	<u>52,000</u>	<u>258,156</u>	<u>580,602</u>
Total 2019	<u>8,324</u>	<u>572,278</u>	<u>580,602</u>	

Income from donations and legacies for 2019 was £8,324 of unrestricted income and £572,278 of restricted income.

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Residential and other charges	81,320	81,320	350,255
Day conferences	15,905	15,905	55,365
Activities	117,711	117,711	141,447
Campsite hire	3,878	3,878	8,724
Total 2020	<u>218,814</u>	<u>218,814</u>	<u>555,791</u>
Total 2019	<u>555,791</u>	<u>555,791</u>	

Income from charitable activities for 2019 was £555,791 of unrestricted income and £nil of restricted income.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
UK quoted investments	1,595	1,595	1,167
UK bank accounts	92	92	107
	<u>1,687</u>	<u>1,687</u>	<u>1,274</u>
Total 2019	<u>1,274</u>	<u>1,274</u>	

Investment income for 2019 was £1,274 of unrestricted income and £nil of restricted income.

7. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Phone mast income	15,201	15,201	15,203
Rental income	11,674	11,674	10,675
Staff accommodation income	3,500	3,500	3,400
	<u>30,375</u>	<u>30,375</u>	<u>29,278</u>
Total 2019	<u>29,278</u>	<u>29,278</u>	

Other incoming resources for 2019 was £29,278 of unrestricted income and £nil of restricted income.

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Activities	<u>587,939</u>	<u>12,154</u>	<u>600,093</u>	<u>752,148</u>
Total 2019	<u>731,484</u>	<u>20,664</u>	<u>752,148</u>	

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	365,653	365,653	447,533
Staff training and welfare	2,500	2,500	6,437
Activities expenses	9,223	9,223	8,718
Cleaning and laundry	1,403	1,403	4,358
Course expenses	80	80	976
Domestic services	7,556	7,556	36,465
Equipment purchased	5,594	5,594	12,875
Instructors	748	748	3,864
Uniform	107	107	916
Insurance	20,370	20,370	15,675
Light and heat	24,390	24,390	37,954
Motor and travel	1,558	1,558	4,214
Printing, postage and stationery	2,698	2,698	3,810
Rates	8,317	8,317	16,396
Depreciation	77,721	77,721	76,563
Repairs and maintenance	48,452	48,452	47,477
Telephone	4,651	4,651	4,667
Sundry expenses	2,506	2,506	645
Interest	4,412	4,412	1,941
	587,939	587,939	731,484
Total 2019	731,484	731,484	

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff training and welfare	1,201	1,201	4,006
Legal and professional	1,834	1,834	4,182
Activities expenses	1,022	1,022	1,188
Governance costs	8,097	8,097	11,288
	<u>12,154</u>	<u>12,154</u>	<u>20,664</u>
	<u>20,664</u>	<u>20,664</u>	
Total 2019			

Governance costs comprise of audit fees of £nil (2019: £7,500), independent examination fees of £3,600 (2019: £nil) and other accountancy fees of £4,497 (2019: £3,788).

9. Independent examiner's remuneration

	2020 £	2019 £
Fees payable to the company's independent examiner for the independent examination of the company's annual accounts	3,600	-
Fees payable to the company's independent examiner in respect of:		
Audit of the annual accounts	-	7,500
All other services not included above	4,497	3,788

10. Staff costs

	2020 £	2019 £
Wages and salaries	343,260	411,112
Social security costs	18,186	24,301
Pension costs	4,207	12,120
	<u>365,653</u>	<u>447,533</u>

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

10. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2020 No.	2019 No.
Full and part time staff	27	29

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	-

Details of key management personnel can be found on the information page. The total amount of employee benefits (including employer pension contributions) received by key management personnel for the services to the charity were £179,632 (2019: £176,971).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

12. Tangible fixed assets

	Freehold property, meeting hall and campsite £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2020	2,701,242	342,722	3,043,964
At 31 December 2020	<u>2,701,242</u>	<u>342,722</u>	<u>3,043,964</u>
Depreciation			
At 1 January 2020	646,176	253,033	899,209
Charge for the year	53,550	24,170	77,720
At 31 December 2020	<u>699,726</u>	<u>277,203</u>	<u>976,929</u>
Net book value			
At 31 December 2020	<u>2,001,516</u>	<u>65,519</u>	<u>2,067,035</u>
At 31 December 2019	<u>2,055,066</u>	<u>89,689</u>	<u>2,144,755</u>

The net book value of assets held under finance leases or high purchase contracts, included above, is £27,653 (2019: £34,566).

13. Stocks

	2020 £	2019 £
Catering	1,310	2,927
Finished goods and goods for resale	1,439	1,874
	<u>2,749</u>	<u>4,801</u>

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	46	20,912
Prepayments and accrued income	3,181	8,873
	<u>3,227</u>	<u>29,785</u>

15. Current asset investments

	2020 £	2019 £
Listed investments	73,877	67,943
Unlisted investments	378	378
	<u>74,255</u>	<u>68,321</u>

16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	4,723	-
Trade creditors	12,104	46,893
Other taxation and social security	26,743	23,000
Obligations under finance lease and hire purchase contracts	8,013	7,200
Other creditors	2,475	4,216
Accruals and deferred income	17,874	29,016
	<u>71,932</u>	<u>110,325</u>

	2020 £	2019 £
Deferred income at 1 January 2020	20,166	15,457
Resources deferred during the year	12,924	20,166
Amounts released from previous periods	(20,166)	(15,457)
	<u>12,924</u>	<u>20,166</u>

Deferred income comprises of phone mast income £12,668 (2019: £15,201), rental income of £256 (2019: £256), residential income of £nil (2019: £2,549) and activities income of £nil (2019: £2,160).

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

17. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	145,277	-
Net obligations under finance lease and hire purchase contracts	20,279	27,957
Other creditors	8,107	10,581
	173,663	38,538

A Bank loan of £100,000, included in creditors falling due after more than one year, is secured by a fixed charge over the tangible fixed assets of the Charity.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
Fixed asset fund	2,144,755	-	(77,721)	-	2,067,034
Continuity reserve	68,323	-	-	5,934	74,257
	<u>2,213,078</u>	<u>-</u>	<u>(77,721)</u>	<u>5,934</u>	<u>2,141,291</u>
General funds					
General Fund	<u>(80,310)</u>	<u>457,032</u>	<u>(498,560)</u>	<u>-</u>	<u>(121,838)</u>
Total Unrestricted funds	<u>2,132,768</u>	<u>457,032</u>	<u>(576,281)</u>	<u>5,934</u>	<u>2,019,453</u>
Restricted funds					
Tennis court	1,838	-	-	-	1,838
Rank foundation	820	-	-	-	820
Sno-tubing	899	-	-	-	899
Adapted golf buggy	2,410	-	-	-	2,410
ChallengeU	21,452	48,500	(19,101)	-	50,851
Small restricted funds	2,935	-	(162)	-	2,773
In memory of P Hardwick	2,248	-	(1,818)	-	430
The Vision Project- Phase 2	56,549	-	-	-	56,549
20th Anniversary	5,094	-	-	-	5,094
We Cycle Too	1,500	-	-	-	1,500
Kayaks	2,704	-	-	-	2,704
Telescope	-	3,000	(2,731)	-	269
Christmas pudding concert	-	500	-	-	500
	<u>98,449</u>	<u>52,000</u>	<u>(23,812)</u>	<u>-</u>	<u>126,637</u>
Total of funds	<u>2,231,217</u>	<u>509,032</u>	<u>(600,093)</u>	<u>5,934</u>	<u>2,146,090</u>

Notes to the financial statements
For the year ended 31 December 2020

18. Statement of funds (continued)

Designated funds:

The fixed asset fund is not readily available to spend, it is the balance of the fixed assets' value.

The Continuity reserve is the balance of the current asset investments' value.

General funds:

The trustees have considered the deficit in the general fund and consider this to be temporary, and have therefore not considered it necessary to draw down on the continuity fund. The trustees will review this position in future years, should the situation change.

Restricted funds:

Tennis court - funds received to cover the costs of building and maintaining the tennis court.

Rank foundation - funds received to cover the costs of a students living and general expenses whilst completing an apprenticeship at Lodge Hill.

Sno tubing funds - received to cover the costs of building and maintaining the sno tubing activity.

Golf buggy - funds received toward the costs of an adapted golf buggy which will be purchased once sufficient funds have been raised.

ChallengeU funds - received to cover certain staffing costs of the ChallengeU project.

The Vision Project - funds received in relation to the refurbishment and extension of the kitchen, dining and residential facilities in order to accommodate the increasingly larger groups wishing to visit Lodge Hill. Funds were received from many donors, including but not limited to: Individual donations, Garfield Weston, Bradbury Foundation, ACT Foundation, Ernest Kleinwort Charitable Trust, Edward Gosling Foundation, Foyle Foundation, Hobsons Charity, Beatrice Laing Foundation and Bassil Shippham and Alsford Trust. Upon expenditure of the restricted income received into this fund, on capital items within the restriction, the fund balance is transferred to the designated fixed asset fund, as it is no longer available for expenditure.

In memory of P Hardwick - funds received in memory of the late President, Penny Hardwick. These funds are being applied to the Vision Project which she fully supported.

20th Anniversary - Lodge Hill has successfully raised funds to install a bespoke disability suite with adjacent carers bedroom and en-suite on the ground floor of Hardwick Hall. Lodge Hill now needs to raise £3,000 for soft furnishings, an intercom system and equipment to make the suite comfortable and homely for future visitors.

We Cycle Too - This donation was made to maintain the Disability Bikes which were gifted to Lodge Hill in 2018.

Kayaks - This funding was given by the Hedley Foundation for the purchase of Kayaks and equipment.

Telescore - These funds were donated by the Rotary Club of Storrington and Pulborough District for the purchase of a telescope and training for delivery of sessions.

Christmas Pudding Concert - This funding was raised to be used for the fixtures and fittings for the Disability Suite, when complete.

The Trustees are satisfied that there are adequate resources available to enable each of the above funds to be applied in accordance with the restrictions imposed.

Lodge Hill Trust
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Notes to the financial statements
For the year ended 31 December 2020

18. Statement of funds (continued)

Statement of funds - prior year

	1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	31 December 2019 £
Unrestricted funds						
Designated funds						
Fixed asset fund	1,624,423	-	(76,563)	596,895	-	2,144,755
Continuity reserve	116,478	-	-	(60,000)	11,845	68,323
	<u>1,740,901</u>	<u>-</u>	<u>(76,563)</u>	<u>536,895</u>	<u>11,845</u>	<u>2,213,078</u>
 General Fund	 (29,062)	 594,667	 (652,635)	 6,720	 -	 (80,310)
	<u>1,711,839</u>	<u>594,667</u>	<u>(729,198)</u>	<u>543,615</u>	<u>11,845</u>	<u>2,132,768</u>
 Restricted funds						
Tennis court	1,838	-	-	-	-	1,838
Rank foundation	820	-	-	-	-	820
Sno-tubing	899	-	-	-	-	899
Golf buggy	2,410	-	-	-	-	2,410
ChallengeU	16,402	28,000	(22,950)	-	-	21,452
Small restricted funds	2,935	-	-	-	-	2,935
In memory of P Hardwick	2,248	-	-	-	-	2,248
The Vision Project- 1	65,184	478,431	-	(543,615)	-	-
The Vision Project- 2	-	56,549	-	-	-	56,549
20th Anniversary	-	5,094	-	-	-	5,094
We Cycle Too	-	1,500	-	-	-	1,500
Kayaks	-	2,704	-	-	-	2,704
	<u>92,736</u>	<u>572,278</u>	<u>(22,950)</u>	<u>(543,615)</u>	<u>-</u>	<u>98,449</u>

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

18. Statement of funds (continued)

Total of funds	1,804,575	1,166,945	(752,148)	-	11,845	2,231,217
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19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	2,067,035	-	2,067,035
Current assets	198,013	126,637	324,650
Creditors due within one year	(217,209)	-	(217,209)
Creditors due in more than one year	(28,386)	-	(28,386)
Total	2,019,453	126,637	2,146,090

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	2,144,755	-	2,144,755
Current assets	136,876	98,449	235,325
Creditors due within one year	(110,325)	-	(110,325)
Creditors due in more than one year	(38,538)	-	(38,538)
Total	2,132,768	98,449	2,231,217

Lodge Hill Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2020

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(85,127)	426,642
Adjustments for:		
Depreciation charges	77,720	76,563
(Gains)/losses on investments	(5,934)	(11,845)
Dividends, interests and rents from investments	(1,687)	(1,274)
Decrease in stocks	2,052	845
Decrease/(increase) in debtors	26,558	(4,156)
Increase/(decrease) in creditors	(53,268)	58,848
Net cash provided by/(used in) operating activities	(39,686)	545,623

21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	244,419	132,418
Total cash and cash equivalents	244,419	132,418

22. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	Finance leases £	Changes in market value and exchange rate movements £	At 31 December 2020 £
Cash at bank and in hand	132,418	118,866	(6,865)	-	244,419
Debt due within 1 year	-	(4,723)	-	-	(4,723)
Debt due after 1 year	-	(145,277)	-	-	(145,277)
Finance leases	(35,157)	-	6,865	-	(28,292)
Liquid investments	68,321	-	-	5,934	74,255
	165,582	(31,134)	-	5,934	140,382

Notes to the financial statements
For the year ended 31 December 2020

23. Pension commitments

Defined contribution scheme:

For current employees, Lodge Hill Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charged to the statement of financial activities represents contributions payable by the charity to the fund and amounted to £4,809 (2019: £4,022). There were outstanding contributions at the balance sheet date of £nil. (2019: £1,813).

Multi employer defined benefit pension scheme:

For certain former employees, Lodge Hill Trust participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Plan is a multi employer defined pension plan. The charity's eligible employees are auto enrolled into the pension scheme with The Pensions Trust.

The Plan is a multi employer scheme where the plan assets are co-mingled for investment purposes, and benefits are paid from the total Plan assets. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the underlying assets and liabilities belonging to the individual participating employers. Due to the nature of the Plan, the accounting charge for the year under FRS102 represents the employer contribution payable.

The rules of the Plan give the Trustees the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as technical provisions.

If the actuarial valuation reveals a deficit, the Trustees will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

The total employer contribution made for the year ended 31 December 2020 was £2,603 (2018: £2,191). The agreed normal contribution rates for future years are 3% for the employer and 5% for the employees. At the year end there were outstanding contributions of £nil (2019: £nil). As at the balance sheet date there were 0 active members of the Plan employed by Lodge Hill Trust.

Actuarial valuations are carried out every three years for funding purposes using the projected unit method. The funding position is calculated by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The most recent valuation available results are as at 30 September 2017. The market value of the Plan's assets at the valuation date was £796 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £132 million, equivalent to a funding level of 86%.

Regulations require the Trustee to set a prudent basis for valuing the Scheme's benefits, taking into account the strength of the employers' covenant and the Scheme Actuary's advice. The Trustee is also required to consult with employers or their representative. The Growth Plan Employer Consultative Group (GPECG), which acts as the employers' representative for the purposes of Scheme funding, have been consulted on the valuation basis and assumptions. The value of the liabilities on this on going basis is

Notes to the financial statements
For the year ended 31 December 2020

23. Pension commitments (continued)

known as the Technical Provisions.

Where a Scheme's assets are less than the Technical Provisions a recovery plan must be put in place to show how the deficit can be eliminated over a fixed period. The recovery plan must be submitted to The Pensions Regulator who may investigate schemes and require changes where the Technical Provisions are set at too low a level or where the recovery period is too long. The recovery plan for the Growth Plan aims to eliminate the deficit via a combination of additional contributions from employers and investment returns. The results of the 30 September 2015 valuation showed a reduction of eight months in the length of the recovery plan, which will now end on 31 January 2025 instead of 30 September 2025.

Under FRS 102 the amount of additional contributions for Lodge Hill Trust in the period to 31 January 2025 have been included as a liability in the accounts.

24. Operating lease commitments

At 31 December 2020 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than 1 year	4,584	4,584
Later than 1 year and not later than 5 years	2,292	6,876
	<u>6,876</u>	<u>11,460</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2020	2019
	£	£
Operating lease rentals	4,584	4,584

25. Related party transactions

There were no transactions with related parties in the year (2019: £nil).

26. Controlling party

The company is controlled on a day to day basis by the trustees who are the directors of the company.

27. Supporters of Lodge Hill

The Supporters of Lodge Hill is a separate charity (registration number 1087269) that supports the work of Lodge Hill. It has its own constitution and trustees.



Lodge Hill Trust

Independent Examination Report

For the year ended

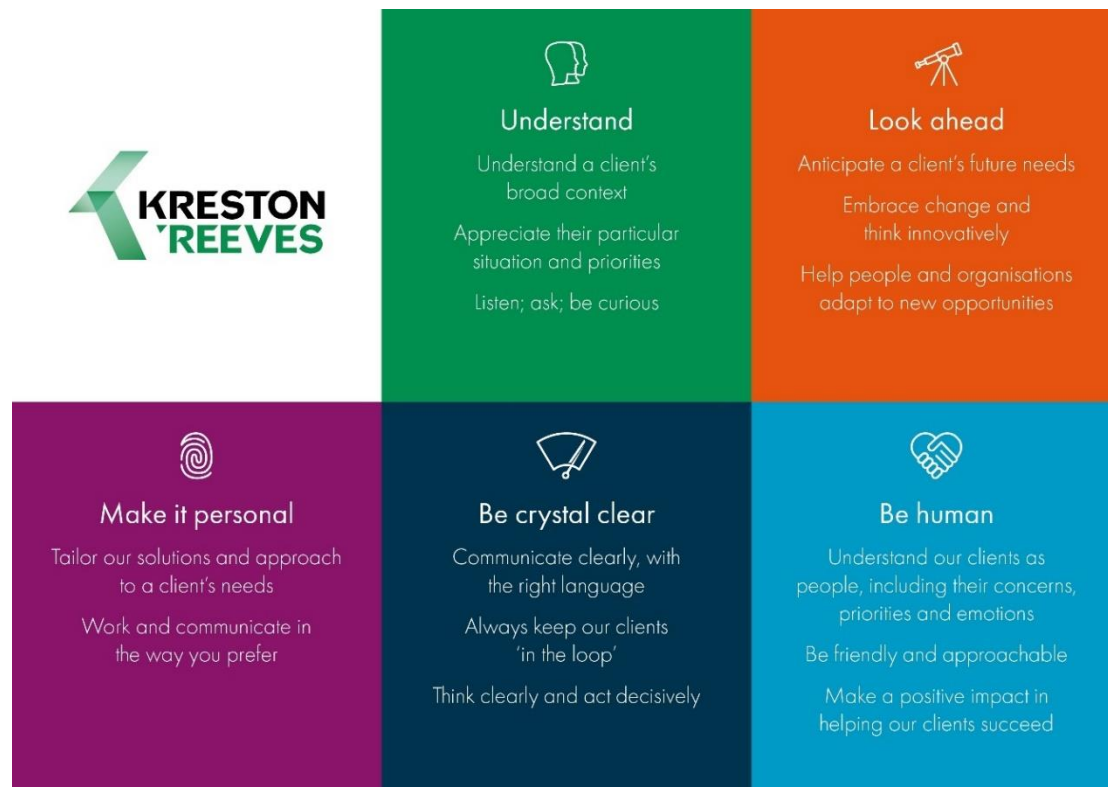
31 December 2020

Our values



Our values define who we are and how we do things at Kreston Reeves. They reflect our attitudes and behaviours and represent a promise of quality, personal service and commitment to our clients, communities and colleagues.

Collectively and individually we aim to:



Lodge Hill Trust

Independent Examination Report For the year ended 31 December 2020



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**Independent Examination Report
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1. Introduction and summary

The purpose of this report is to bring to your attention our comments from the recent independent examination carried out on Lodge Hill Trust. We appreciate that you will already be aware of the majority of the matters contained in this report through earlier discussions you will have had with the independent examination team, but we hope that you will find this report a useful summary of those discussions.

We would like to take this opportunity to thank Katie Collet and Lisa May for the assistance they have provided to us during the course of our independent examination.

Our independent examination has given us a unique opportunity to understand your activities and processes. We have used this opportunity to provide you a service that is of real positive benefit to you.

During the course of our independent examination work this year we have performed the following tasks which we hope that you will have found to have been of benefit.

- We have assisted you with the preparation of the charity's financial statements and the trustees' annual report, ensuring that they comply with all statutory requirements and with accounting standards, including the Statement of Recommended Practice "Accounting and Reporting by Charities". In doing so we have ensured that the Charity has taken advantage of any accounting exemptions available to it so as to avoid any unnecessary over-disclosure of the Charity's affairs that are not required to be published in publicly available financial statements.
- We have reviewed the accounting policies that you have selected to ensure that they are meeting best practice in accounting for the sector in which the charity operates.
- We have advised you of planned changes in legislation that may be of relevance to you in order that you may prepare for their implementation. These are detailed at Section 4 of this report.

Should you have any questions regarding any of the issues raised in this report please contact Simon Webber as the partner responsible for the independent examination of the charity, or any other member of the independent examination team, who will be happy to provide further explanations as required.

A handwritten signature in black ink, appearing to read "Simon Webber".

Kreston Reeves LLP
Chartered Accountants

**Independent Examination Report
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2. Independent examiner's report

Independent examiner's report to the Trustees of Lodge Hill Trust ('the charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts 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 accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed:

Dated:

Simon Webber BA (Hons), DChA, FCA

Kreston Reeves LLP
Chartered Accountants
Chichester

**Independent Examination Report
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3. Commentary on results

Income

Income has fallen from £1.17m last year to £0.51m in the current year (56%).

The impact of Covid-19 related restrictions was significant, charitable activity income fell from £556k to £219k (61%).

The other significant reduction is in donations, which fell 322k. This was primarily because the prior year included significant donations for the Vision project.

Expenditure

Expenditure was reduced from last year, falling from £752K to £600k (20%). Costs were cut as a response to the pandemic, but could not be reduced to the same extent as the fall in income.

Net movement in funds

The result was an overall operating deficit of £91k, compared to a surplus of £415k last year (noting that last year included a significant boost with the Vision project income). Investment gains were £6k, taking the overall movement in funds to an £85k deficit.

Considering the challenges faced by the Trust during what was an extraordinary year, the overall result is positive.

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4. Qualitative aspects of the charity's accounting practices and financial reporting

As part of our audit we have considered and reviewed the Charity's accounting policies with UK Generally Accepted Accounting Practice, including the Statement of Recommended Practice *Accounting and Reporting by Charities* ("the SORP"), and we have not encountered any material departures. In our opinion the accounting policies selected are appropriate to the circumstances of the charity.

Future accounting changes

The charity's accounts are prepared in accordance with FRS102. This standard is due to be updated and revised every four to five years in order to ensure that it reflects any legal changes and developments in accounting practice that have taken place.

The Standard at this stage has not been updated for recent changes to International Financial Reporting Standards (IFRS), and in particular the following major new standards that have recently been implemented:

- IFRS9 *Financial instruments*
- IFRS15 *Revenue from contracts with customers*
- IFRS16 *Leases*

Although the long-term aim is to keep FRS102 as closely aligned to IFRS as possible, the FRC has stated that further consideration is required of the changes that may be required, and that this work will not begin until these standards have been fully implemented by IFRS reporters and insight can be gained from their implementation experience. It is therefore unlikely that any changes will be made to FRS102 in respect of these issues that will impact on your reporting for the foreseeable future.

For more information on these future changes please do not hesitate to contact your usual Kreston Reeves adviser.

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Appendix I – Draft Letter of representation

Kreston Reeves LLP
Statutory Auditor and Chartered Accountants
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Dear Sirs

This letter is furnished at your request in connection with your independent examination of the financial statements of the charity for the period ended 31 December 2020 for the purposes enabling you to issue your report to the trustees required by the Charities Act 2011 in respect of the charity's accounting records and preparation of the financial statements.

We recognise that our representations concerning the matters referred to below are significant in enabling you to issue your independent examiner's report.

In particular, we have carefully considered the impact of the COVID-19 pandemic and the UK's exit from the European Union ('Brexit'), on the charity's business and its financial statements.

We have fulfilled our responsibilities as trustees of the charity, as set out in your terms of engagement dated 21 January 2020, under the Companies Act 2006 for preparing financial statements in accordance with the applicable law and United Kingdom Generally Accepted Accounting Practice, which you have drafted on our behalf, which give a true and fair view of the financial position of the charity as of the period end and of the results of operations for the period then ended and for making accurate representations to you.

The financial statements have been prepared in accordance with the Companies Act 2006 and the provisions of the Trust Deed, and in accordance with United Kingdom Generally Accepted Accounting Practice, including *Accounting and Reporting by Charities: The 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 (FRS102)* ("the SORP"), including all subsequent Update Bulletins issued that apply to the period under review .

Audit exemption

We confirm that the charity is entitled to the exemptions from an audit of the financial statements as set out in the Charities Act 2011 in that:-

- The incoming resources of the charity did not exceed £1 million; or
- The incoming resources of the charity did not exceed £250,000 and the charity's gross assets did not exceed £3.26million; or
- The incoming resources of the charity and its group did not exceed £1 million, after eliminating intra group transactions and consolidation adjustments; and

An audit of the financial statements is not required by the charity's governing documents.

We confirm that the charitable company is entitled to the exemptions from an audit of the financial statements as set out in Section 477 of the Companies Act 2006.

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Fraud

We acknowledge our responsibility for the design, implementation and maintenance of a system of internal control in order to prevent and detect fraud.

We have assessed the risk that the financial statements may be materially misstated as a result of fraud and it is our opinion that any such risk is minimal.

We are not aware of any irregularities involving management or employees who have a significant role with regards to the internal control system or that could have a material effect on the financial statements.

We are not aware of any fraud or suspected fraud of any kind communicated by current or former employees, analysts, regulators or any others.

We are not aware of matters related to fraudulent activity or other non-compliance with law or regulation arising since the beginning of the period which have been communicated to the Charity Commission.

Provision of information

We have made available to your representatives all significant financial records and related data. We have provided to you all other information requested and given unrestricted access to persons within the charity from whom you have deemed it necessary to obtain information. All other records and related information, including minutes of all management meetings, have been made available to you.

Accounting records

All financial transactions of the charity have been properly reflected in the accounting records in accordance with the requirements of the Companies Act 2006 and have been properly reflected in the financial statements.

Accounting estimates

We confirm that the methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework. We confirm that we have informed you of all such significant assumptions.

Minutes and Contracts

The minute books presented to you contain complete and authentic minutes of all meetings of the charity's trustees held since the beginning of the period under review.

We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance.

None of the trustees had at any time in the period an interest in any contract with the charity except as disclosed in the notes to the financial statements.

Law and Regulations

We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal and regulatory framework within which the charity conducts its business and which are central to the charity's ability to conduct its business, except as explained to yourselves and disclosed in the financial statements.

**Independent Examination Report
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We confirm that we have reviewed the guidance "How to report a serious incident in your charity" published by the Charity Commission. We also confirm that no Serious Incident Reports have been submitted to the Charity Commission, nor any events considered for submission, during the accounting period or in the period from the balance sheet date to the date of approval of the financial statements.

We are not aware of any instances during the period where the charity has operated outside its charitable objectives as laid down in its governing documents.

We can confirm that our procedures for handling data are compliant with the General Data Protection Regulation and that there have been no events which could result in any penalty being levied by the Information Commissioner's Office which could have a material impact on the financial statements.

Tangible Fixed Assets

The net book amounts at which fixed assets are included in the balance sheet are arrived at:

- After taking into account all capital expenditure on additions thereto, but no expenditure properly chargeable to revenue.
- After eliminating the cost and accumulated depreciation relating to items sold or otherwise disposed of.
- After providing for amortisation and impairment at rates sufficient to reduce the net book amounts to their residual value by the time they become no longer economically useful to the charity.

We confirm that all tangible fixed assets included in the financial statements exist at the balance sheet date.

Investments

None of the charity's investments have declined in value to an amount less than the carrying value in the balance sheet.

Stocks and Work in Progress

Stock and work in progress shown in the balance sheet, represents all stocks and work in progress owned by the charity wherever situated at the balance sheet date.

The quantities of stock and work in progress were ascertained by a physical count carried out at the balance sheet date.

Stocks and work in progress have been valued at the lower of cost and net realisable value, or on such other basis as required by the SORP. For this purpose, cost represents all expenditure incurred in bringing stock and work in progress to its condition and location at the accounting date including related overhead expenditure based on a normal level of activity.

Full provision has been made in the accounts for all liabilities at the balance sheet date in respect of all items included in stock and work in progress. All goods despatched and invoiced to customers (where relevant) at the accounting date have been excluded from stock and work in progress.

We have no plans to abandon product lines or other plans that will result in any excess or obsolete stock that has not already been provided for in the financial statements.

**Independent Examination Report
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Other Current Assets

We are of the opinion that other current assets have a value on realisation in the ordinary course of operations at least equal to the amounts at which they are stated in the financial statements. In particular adequate provision has been made against all amounts owing to the charity, which are known, or may be expected, to be irrecoverable.

Assets - General

We confirm that the charity has satisfactory title to all assets appearing in the balance sheet and that they are free from any lien or charge unless otherwise stated in the financial statements.

We have no intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

Liabilities - General

All known liabilities of the charity at the balance sheet date have been included in the financial statements. Adequate provisions have been made in the financial statements for liabilities, which are known to exist but the amount of which, cannot be accurately determined.

Provision has been made for all grant commitments made by the charity in line with the requirements of the SORP.

Contingent Liabilities

We have disclosed to you all claims in connection with litigation or any other claims of material importance that have been, or are expected to be, received and any such claims have been appropriately accounted for and disclosed in the financial statements.

We have disclosed to you all other contingent liabilities

Taxation

The charity has not undertaken any activities during the year upon which a tax liability arises.

Statement of financial activities

All income of the charity for the period under review has been included in the financial statements.

Except as disclosed in the financial statements the results for the period were not materially affected by:

- transactions of a sort not usually undertaken by the charity.
- circumstances of an exceptional or non-recurring nature.
- charges or credits relating to prior periods.

All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions during the period in the application of such income.

**Independent Examination Report
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Transactions with trustees and other related parties

Trustees' remuneration

We confirm that no remuneration was paid to trustees during the period under review.

Key management personnel compensation

We confirm that in addition to the trustees of the charity, the following individuals are considered to have formed part of the Key Management of the charity during the accounting period due to their authority and responsibility for planning, directing and controlling the activities of the charity:

- Lisa May BSc (hons); Dip HSW, Chief Executive Officer
- Kathryn Collet, BSc, Finance Manager
- Richard Tomkins, House Manager
- Charles Nielson, Activities Manager
- Tom Dutson, Activities Manager

We confirm the accuracy of the disclosure of the Key Management Personnel compensation, which includes all employee benefits paid, payable or provided by the charity or on behalf of the charity in exchange for services rendered to the charity. It also includes any consideration paid on behalf of any parent undertaking of the charity in respect of any goods or services provided to the charity.

Directors' advances, credits and guarantees

The charity has had at no time during the period any arrangement, transaction or agreement to provide credit facilities (including loans, quasi loans or credit transactions) for directors and other related parties nor to guarantee or provide security for such facilities except as disclosed in the financial statements.

Related party transactions

We confirm that we have fully disclosed to you the identity of all of the charity's related parties.

You have been provided with details of all transactions between the charity and its related parties that have arisen during the accounting period and we confirm that the disclosure made in the financial statements of these transactions is complete and accurate.

We confirm the factual accuracy of the controlling party disclosure in the financial statements.

Capital Commitments

The financial statements make full disclosure of all outstanding amounts contracted for at the balance sheet date in respect of capital expenditure.

Post Balance Sheet Events

Since the balance sheet date no events or transactions have either occurred or are pending which would have a material effect upon the financial statements at that date, or for the period then ended, or which are of such significance in relation to the charity's affairs as to require disclosure in the financial statements.

Independent Examination Report For the year ended 31 December 2020

Financial Facilities

Since the balance sheet date adequate financial facilities have continued to be available to the charity and we have no reason to believe that such facilities will be withdrawn within the next twelve months.

Review of going concern basis

We confirm that we have considered the charity's future operations, working capital requirements and cashflows and we feel that the going concern basis is appropriate for the preparation of the financial statements for the period under review. Our considerations have covered a period of not less than 12 months from the date of the approval of the financial statements.

Our consideration has included a thorough assessment of the charity's ability to continue trading as a going concern in light of the COVID-19 pandemic and the global economic uncertainty it has caused, and of Brexit and the end of the Brexit transition period. We have taken appropriate measures, as far as possible based on the information currently available to us, to safeguard the current and future operations of the charity.

In making this assessment we have prepared revised forecasts, cashflows and our disaster planning includes due consideration of coronavirus contingency measures.

All projected cashflows, management accounts and other information and assumptions used in reaching this conclusion have been made available to you for the purposes of your assignment. We confirm that our plans for future actions required to enable the charity to continue as a going concern are feasible.

There are no material uncertainties of which we are aware that cast doubt on the charity's ability to continue as a going concern.

We are of the opinion that the disclosure on going concern in both the trustees' report and the financial statements is an accurate reflection of the charity's financial position.

Current economic climate – COVID-19 and Brexit

We confirm that we are aware of our responsibility as trustees to consider, as far as possible with the information currently available to us, the full impact of the COVID-19 pandemic and its effect on the global economic climate (together 'COVID-19') and Brexit and the end of the transition period (together 'Brexit'), on all aspects of the charity's financial and narrative reporting.

We confirm that all representations made in this letter include due consideration of these factors. In particular this includes, but is not limited to, the following:

- Appropriate disclosure has been included in the charity's narrative reporting regarding the impact of COVID-19 and Brexit on the charity's performance during the period, our assessment of principal risks and uncertainties and the future activity of the charity;
- We acknowledge our responsibility in the preparation of the financial statements for making appropriate judgments, estimates and assumptions. We have informed you of the judgements and estimates, including those related to COVID-19 and Brexit, that have had the most significant impact on the financial statements;
- The financial statements reflect the conditions which existed at the reporting date,
 - to the extent that the spread of COVID-19 was known and government measures were announced, together with its impact on the local and global economic climate; and
 - to the extent that arrangements and agreements had been announced in respect of the UK leaving the European Union.

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- We have reassessed the value of the charity's investments in light of COVID-19 and Brexit. We confirm that they have not declined in value to an amount less than the carrying value at the reporting date;
- We have considered whether the charity's tangible fixed assets have been impaired due to COVID-19 and Brexit. We have also considered whether our estimate of useful economic lives remains appropriate. Our consideration has included a review of the current market value of those assets and their future economic performance;
- At the reporting date, any additional liabilities arising as a result of COVID-19 and Brexit have been recognised. We have specifically considered whether any additional provision is required in respect of:
 - Doubtful debts;
 - Onerous leases and contracts;
 - Redundancy payments.

Approval of Financial Statements

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The financial statements and the contents of this letter were formally approved by the board at a meeting held on the date shown below.

Yours faithfully

Mr Matthew Wykes, Dip PFS
Chairman

for and on behalf of the Board of Trustees

Date:



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