

**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**

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**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**  
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**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

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**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

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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.

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**Trustees' report (continued)**  
**For the year ended 31 December 2021**

**Statement of Trustees' responsibilities**

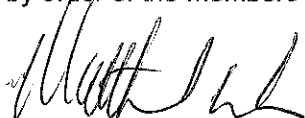
The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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**

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**Statement of financial activities (incorporating income and expenditure account)  
For the year ended 31 December 2021**

	Note	Unrestricted funds		Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
		General funds 2021 £	Designated funds 2021 £			
<b>Income from:</b>						
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
<b>Total income</b>		<b>533,112</b>	<b>-</b>	<b>108,556</b>	<b>641,668</b>	<b>509,032</b>
<b>Expenditure on:</b>						
Charitable activities	8	439,522	47,400	141,560	628,482	600,093
<b>Total expenditure</b>		<b>439,522</b>	<b>47,400</b>	<b>141,560</b>	<b>628,482</b>	<b>600,093</b>
Net gains on investments		-	7,146	-	7,146	5,934
<b>Net (expenditure)/income</b>		<b>93,590</b>	<b>(40,254)</b>	<b>(33,004)</b>	<b>20,332</b>	<b>(85,127)</b>
Transfers between funds		-	-	-	-	-
<b>Net movement in funds</b>		<b>93,590</b>	<b>(40,254)</b>	<b>(33,004)</b>	<b>20,332</b>	<b>(85,127)</b>
<b>Reconciliation of funds:</b>						
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)
<b>Total funds carried forward</b>		<b>(28,248)</b>	<b>2,101,037</b>	<b>93,633</b>	<b>2,166,422</b>	<b>2,146,090</b>

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.

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**(A company limited by guarantee)**  
**Registered number: 03590104**

**Balance sheet**  
**As at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	2,019,635	2,067,035
		<u>2,019,635</u>	<u>2,067,035</u>
<b>Current assets</b>			
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)
<b>Net current assets</b>		<u>299,982</u>	<u>252,718</u>
<b>Total assets less current liabilities</b>		<u>2,319,617</u>	<u>2,319,753</u>
Creditors: amounts falling due after more than one year	17	(153,195)	(173,663)
<b>Net assets excluding pension asset</b>		<u>2,166,422</u>	<u>2,146,090</u>
<b>Total net assets</b>		<u><u>2,166,422</u></u>	<u><u>2,146,090</u></u>
<b>Charity funds</b>			
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>
<b>Total funds</b>		<u><u>2,166,422</u></u>	<u><u>2,146,090</u></u>

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**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.

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**Statement of cash flows**  
**For the year ended 31 December 2021**

	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	20	<b>28,190</b>	(39,686)
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		<b>1,392</b>	1,687
<b>Net cash provided by investing activities</b>		<b>1,392</b>	<b>1,687</b>
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		-	150,000
Repayments of borrowing		<b>(3,912)</b>	-
<b>Net cash (used in)/provided by financing activities</b>		<b>(3,912)</b>	<b>150,000</b>
<b>Change in cash and cash equivalents in the year</b>		<b>25,670</b>	<b>112,001</b>
Cash and cash equivalents at the beginning of the year		<b>244,419</b>	132,418
<b>Cash and cash equivalents at the end of the year</b>	21	<b>270,089</b>	<b>244,419</b>

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

**Lodge Hill Trust**  
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**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.

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**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.

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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

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**Notes to the financial statements**  
**For the year ended 31 December 2021**

**4. Income from donations and legacies**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Donations - Individuals	15,105	-	<b>15,105</b>	6,785
Donations - Trusts	1,000	36,000	<b>37,000</b>	127,150
Donations - Others	23	-	<b>23</b>	3,000
Local authority grants	-	72,556	<b>72,556</b>	-
CJRS grant	94,590	-	<b>94,590</b>	121,221
	<u>110,718</u>	<u>108,556</u>	<u><b>219,274</b></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**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Residential and other charges	153,159	<b>153,159</b>	81,320
Day conferences	26,751	<b>26,751</b>	15,905
Activities	206,555	<b>206,555</b>	117,711
Campsite hire	9,164	<b>9,164</b>	3,878
<b>Total 2021</b>	<u>395,629</u>	<u><b>395,629</b></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.

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**Notes to the financial statements**  
**For the year ended 31 December 2021**

**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
UK quoted investments	1,363	<b>1,363</b>	1,595
UK bank accounts	29	<b>29</b>	92
	<u>1,392</u>	<u><b>1,392</b></u>	<u>1,687</u>
Total 2020	<u>1,687</u>	<u><b>1,687</b></u>	

Investment income for 2020 was £1,687 of unrestricted income and £nil of restricted income.

**7. Other incoming resources**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Phone mast income	15,455	<b>15,455</b>	15,201
Rental income	5,418	<b>5,418</b>	11,674
Staff accommodation income	4,500	<b>4,500</b>	3,500
	<u>25,373</u>	<u><b>25,373</b></u>	<u>30,375</u>
Total 2020	<u>30,375</u>	<u><b>30,375</b></u>	

Other incoming resources for 2020 was £30,375 of unrestricted income and £nil of restricted income.

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Activities	618,773	9,709	<b>628,482</b>	600,093
Total 2020	<u>587,939</u>	<u>12,154</u>	<u><b>600,093</b></u>	

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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**

	<b>Activities 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	365,508	<b>365,508</b>	365,653
Staff training and welfare	5,062	<b>5,062</b>	2,500
Activities expenses	26,981	<b>26,981</b>	9,223
Cleaning and laundry	1,452	<b>1,452</b>	1,403
Course expenses	25	<b>25</b>	80
Domestic services	17,178	<b>17,178</b>	7,556
Equipment purchased	-	<b>-</b>	5,594
Instructors	3,551	<b>3,551</b>	748
Uniform	1,149	<b>1,149</b>	107
Insurance	14,385	<b>14,385</b>	20,370
Light and heat	28,850	<b>28,850</b>	24,390
Motor and travel	5,551	<b>5,551</b>	1,558
Printing, postage and stationery	2,114	<b>2,114</b>	2,698
Rates	8,097	<b>8,097</b>	8,317
Depreciation	47,400	<b>47,400</b>	77,721
Repairs and maintenance	76,860	<b>76,860</b>	48,452
Telephone	4,448	<b>4,448</b>	4,651
Sundry expenses	788	<b>788</b>	2,506
Interest	9,374	<b>9,374</b>	4,412
	<b>618,773</b>	<b>618,773</b>	587,939
Total 2020	<b>587,939</b>	<b>587,939</b>	

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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**

	<b>Activities 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff training and welfare	1,105	<b>1,105</b>	1,201
Legal and professional	35	<b>35</b>	1,834
Activities expenses	945	<b>945</b>	1,022
Governance costs	7,624	<b>7,624</b>	8,097
	<u>9,709</u>	<u><b>9,709</b></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**

	<b>2021 £</b>	<b>2020 £</b>
Fees payable to the company's independent examiner for the independent examination of the company's annual accounts	<b>3,600</b>	3,600
Fees payable to the company's independent examiner in respect of: All other services not included above	<u><b>4,024</b></u>	<u>4,497</u>

**10. Staff costs**

	<b>2021 £</b>	<b>2020 £</b>
Wages and salaries	<b>340,261</b>	343,260
Social security costs	<b>21,917</b>	18,186
Pension costs	<b>3,330</b>	4,207
	<u><b>365,508</b></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:

	<b>2021</b>	2020
	<b>No.</b>	No.
Full and part time staff	<b>33</b>	27

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

	<b>2021</b>	2020
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>1</b>	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).

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**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 £
<b>Cost or valuation</b>			
At 1 January 2021	2,701,242	342,722	3,043,964
At 31 December 2021	2,701,242	342,722	3,043,964
<b>Depreciation</b>			
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
<b>Net book value</b>			
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
	<b>3,501</b>	<b>2,749</b>

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**Notes to the financial statements**  
**For the year ended 31 December 2021**

**14. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
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>
	<u>2021 £</u>	<u>2020 £</u>
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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**17. Creditors: Amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>135,651</b>	145,277
Net obligations under finance lease and hire purchase contracts	<b>11,986</b>	20,279
Other creditors	<b>5,558</b>	8,107
	<b>153,195</b>	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.

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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 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
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>
<b>General funds</b>					
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>
<b>Total Unrestricted funds</b>					
<b>Restricted funds</b>					
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>
<b>Total of funds</b>	<u>2,146,090</u>	<u>641,668</u>	<u>(628,482)</u>	<u>7,146</u>	<u>2,166,422</u>

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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**  
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**18. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
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>
 <b>Restricted funds</b>					
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>
 <b>Total of funds</b>	 <u>2,231,217</u>	 <u>509,032</u>	 <u>(600,093)</u>	 <u>5,934</u>	 <u>2,146,090</u>

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**Notes to the financial statements**  
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**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	-	<b>2,019,635</b>
Current assets	306,113	93,633	<b>399,746</b>
Creditors due within one year	(99,764)	-	<b>(99,764)</b>
Creditors due in more than one year	(153,195)	-	<b>(153,195)</b>
<b>Total</b>	<b>2,072,789</b>	<b>93,633</b>	<b>2,166,422</b>

**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)
<b>Total</b>	<b>2,019,453</b>	<b>126,637</b>	<b>2,146,090</b>



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**Notes to the financial statements**  
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**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)
<b>Adjustments for:</b>		
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)
<b>Net cash provided by/(used in) operating activities</b>	<b>28,190</b>	<b>(39,686)</b>

**21. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand	270,089	244,419
<b>Total cash and cash equivalents</b>	<b>270,089</b>	<b>244,419</b>

**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
	<b>140,382</b>	<b>43,594</b>	<b>-</b>	<b>183,976</b>

**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

**Lodge Hill Trust**  
**(A company limited by guarantee)**

**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.

