

HEATHERCOMBE BRAKE TRUST

England & Wales · Charity number 1087001

Details

Other names HEATREE ACTIVITY CENTRE, HEATREE HOUSE

Status Registered

Legal form Charitable company

Company number [04175683](#)

Registered 2001-06-13

Register [View on the Charity Commission register](#)

Contact

Address Heatree Activity Centre
Manaton
Newton Abbot
TQ13 9XE

Phone 01647221307

Email admin@heatree.com

Website www.heatree.com

Activities

Objects: 3.1 TO ADVANCE THE EDUCATION AND PROMOTE THE PHYSICAL SPIRITUAL AND MENTAL WELFARE AND DEVELOPMENT OF CHILDREN AND YOUNG PERSONS AND THEIR FAMILIES (ESPECIALLY BUT NOT EXCLUSIVELY THOSE WHO HAVE A DISABILITY OR WHO SUFFER FROM ANY SPIRITUAL OR OTHER DEPRIVATION BY VIRTUE OF THEIR SOCIAL OR ECONOMIC CIRCUMSTANCES) WITHIN A CHRISTIAN ENVIRONMENT AND ETHOS3.2 TO ADVANCE AND PROMOTE THOSE PURPOSES AMONG ADULTS IN SO FAR AS FROM TIME TO TIME THE CHARITY'S FACILITIES AND RESOURCES EXCEED THE DEMAND FOR THEM AMONG CHILDREN AND YOUNG PERSONS AND THEIR FAMILIES3.3 TO PROVIDE MANAGE AND IMPROVE ONE OR MORE RESIDENTIAL EDUCATIONAL ACTIVITY CENTRES CONDUCTED ON CHRISTIAN PRINCIPLES AND TO ASSIST IN ORGANISING CONFERENCES AND TRAINING COURSES FOR THE ADVANCEMENT OF SUCH PURPOSES

Activities: To advance the education and promote the physical, spiritual and mental welfare and development of children and young people and their families within a Christian environment and ethos by providing, managing and improving one or more residential activity centres conducted on Christian principles and to assist in organising conferences and training courses for the advancement of such purposes.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Accommodation/housing, Religious Activities, Amateur Sport, Environment/conservation/heritage
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE, MANATON, IN THE COUNTY OF DEVON
- Devon

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£966,225	£1,032,732	£1,597,887	32
2023-12-31	£880,237	£912,741	£1,664,394	28
2022-12-31	£1,318,256	£855,782	£1,696,898	25
2021-12-31	£551,141	£759,411	£1,234,424	21
2020-12-31	£418,347	£833,336	-	-

Trustees

Name	Role	Appointed
MR BISHOP	Chair	
Adrian Webb		2020-03-21
Fiona Harvey		2025-02-15
Ian Clive Rees		2020-03-15
James Stewart Murray		2021-12-11
Matthew James Garvey Pitts		2016-04-17

HEATHERCOMBE BRAKE TRUST

England & Wales - Charity number 1087001

Accounts

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

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HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees	J Bishop, Chair J Murray M Pitts I Rees A Webb
Company registered number	04175683
Charity registered number	1087001
Registered office	Heatree House Manaton Newton Abbot Devon TQ13 9XE
Senior Management Team	S McIlhenny, Centre Manager
Independent auditors	Griffin Chartered Accountants Courtenay House Pynes Hill Exeter EX2 5AZ

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

Introduction

Heathercombe Brake Trust is a Christian charity that helps children and young people encounter God through adventure. The trustees of Heathercombe Brake Trust (the Charity) present their annual report and financial statements for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts, and comply with the Charity's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2024.

a. Objectives and Activities

Our Charity's purposes, as set out in the Objects contained in the company's Memorandum of Association are:

- To advance the education and promote the physical, spiritual, and mental welfare and development of children and young people and their families (especially but not exclusively those who have a disability or who suffer from any spiritual or other deprivation by virtue of their social or economic circumstances) within a Christian environment and ethos.
- To advance and promote the above amongst adults, as far as from time to time the Charity's facilities and resources exceed the demand for them amongst children, young people, and their families.
- To provide, manage and improve one or more residential activity centres conducted on Christian principles and to assist in organising conferences and training courses for the advancement of such purposes.

Heathercombe Brake Trust has Vision and Mission statements, to provide a clearer understanding of the legal wording of the Objects in the Memorandum of Association. The statements help to explain how we use adventurous outdoor learning to fulfil our charitable objectives. The statements are as follows:

Our Vision

For children and young people to encounter God through adventure.

Our Mission

To facilitate outdoor adventure learning experiences through which children and young people can discover more about the Christian faith and have life-changing encounters with God.

Our outdoor learning programmes are specifically designed to help children and young people discover and explore the Christian faith, whilst developing their confidence, and understanding and appreciation of the natural environment. These enriching experiences provide opportunities where young people are challenged to step outside their comfort zone, expand their knowledge and promote their physical, spiritual, and mental well-being.

HEATHERCOMBE BRAKE TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

(continued)

b. Public Benefit

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Heatree enables access to places and activities that typically need specialist knowledge or equipment, which can leave them to be experienced by only a small percentage of the population. We are committed to making outdoor education accessible to everyone, regardless of life experience, socio economic background or ability. Our highly qualified and experienced team will adapt and tailor the activities to meet the needs of children and young people, facilitating individualised learning.

The Trust has covered the costs for 436 visitors on residential visits to Heatree with a value of £65,208 and a further 419 young people have been awarded discounted places for residentials at Heatree through the Quantick Bursary Fund, to the value of £23,015.

c. Structure, Governance and Management Constitution

Heathercombe Brake Trust is a charitable company limited by guarantee, trading as Heatree Activity Centre. It is governed by its Memorandum and Articles of Association, dated 8 March 2001, and amended by Special Resolution dated 1 August 2013. It is registered with the Charity Commission.

d. Appointment of Trustees

The trustees may, from time to time, seek to appoint new trustees. When choosing and appointing new trustees, emphasis is placed on their experience in the wider community and their sharing of the Christian faith and ethos. The number of trustees shall not be less than three or more than nine. Trustees are appointed for a term of three years and may renew that appointment for successive terms. No new Trustees were appointed during 2024.

Vacancies for trustees are posted on the Heatree Activity Centre website and any trustee may nominate potential new trustees to be considered for election. Once elected, new trustees will have a period of induction and training. This involves information sharing, visits to the Centre and interviews with other trustees. Ongoing training includes cascaded information from journals and forums, updates from professional organisations and regular reviews of publications.

The Board of Trustees generally meets four times every year to administer the Charity.

The pay policy for staff is proposed by the Chief Executive Officer, taking account of the Centre and individual performance, affordability, and market conditions, including legislative matters such as the statutory minimum and statutory living wage. The policy applies to all staff and is within a set banded pay structure. Two Trustees will be responsible for appraisal and performance management of the Chief Executive and pay awards for this role will be benchmarked against the same role in similar organisations and agreed by the Trustees. Trustees receive the proposals in the last Board meeting of each financial year and any pay awards are effective from 1st January the following year. Pay awards were made in 2024.

e. Key Management Personnel

The key management personnel of the Charity during the year consisted of the Trustees and the Chief Executive Officer.

HEATHERCOMBE BRAKE TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

(continued)

f. Risk Management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Centre's policies, which mitigate the inherent risks associated with the Centre and its activities, were reviewed during the year. The review drew on internal experience and external/professional advice to continue to ensure the Centre meets both internal and external scrutiny, with detailed attention paid to the relevant risk assessments. Procedures are in place for staff training, from the induction stage and covering all essential policies, including Safeguarding and Health and Safety.

Funds are allocated annually for ongoing asset maintenance and replacement, and plans are reviewed regularly to ensure facilities remain in good order and are appropriate for young people.

Appropriate commercial insurance cover is maintained annually to cover public and employer's liabilities and insuring buildings and facilities for replacement value.

The trustees are developing a new risk management framework to better enable a regular and systematic review of risks at every Board meeting.

Heatree is licensed by AALA (the Adventure Activities Licensing Authority) and has a highly experienced and qualified instructor team. We have been delivering high quality outdoor education programmes for over 30 years.

HEATHERCOMBE BRAKE TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

(continued)

a. Strategic Report

Achievements and Performance

We prioritise facilitating two main guest categories: youth groups and schools, and by incorporating life themes through the activity sessions, provide opportunities that guide young people towards encountering God's love and salvation.

Schools

During 2024 Heatree continued in the direction set post-Covid, to complement and assist schools in their learning and where applicable, their Christian ethos, by basing our outdoor education residential programmes on the Christian content of the Standing Advisory Council on Religious Education (SACRE) and RE Syllabus for Devon. Each programme is designed to make the syllabus outcomes tangible and accessible through different types of learning that take place throughout the week. We aim to make Christian ideas and beliefs come alive through stories, assemblies, activity debriefs and first-hand experience of the natural world. We have continued to offer a choice of three themes which are the focus of the schools' activity programmes; Foundations, Journey and Character. Each theme has a slightly different focus, and all are underpinned by high-quality outdoor instruction and develop elements of identity, teamwork and relationships.

Heatree continues to prioritise four-night residentials during the peak season and operates with a maximum of three schools on-site at a time. Academic research highlights the many advantages of outdoor school residentials, and we believe that these parameters optimise the learning opportunities and maximise the benefits for children, improving the quality of the experience overall.

We offer free places for teachers in a ratio of 1:10 and free places for all SEND support staff. In 2024 the Trust provided additional staffing and support to schools for 323 helpers, at a value of £58,305.

We have provided 2558 school children this year with 8283 bed nights, a further 100 school children have joined them for day visits only. Our catchment area is primarily the South-West of England.

The feedback from our school groups has been excellent and it is encouraging to know that the work is having the desired impact on the children and young people who attend. Here are some quotes from visiting school groups:

'All Heatree Staff have been extremely friendly and we have all been impressed at how wonderful they have been, particularly with those children who have additional needs. Many potential difficulties were navigated by them with ease because of their confidence and great senses of humour.'

'Linking activities to values was a big plus. Great instructors who completely commit to the role!'

'We loved it here! The 'thought of the day' is wonderfully linked to encouraging the children to be a better version of themselves. We can't wait to see you again next year. Thank you!'

'Christian links worked well for us as we are a C of E school.'

HEATHERCOMBE BRAKE TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

(continued)

Youth Groups

Our aspiration is that each young person who comes to Heatree will experience moments of awe and wonder at the incredible world they live in and the God who created it. Whether it is through attending a youth weekend away or on an enriching summer camp, we want to facilitate outdoor learning and opportunities for young people to encounter God.

Free Places

Our summer camp attendance has not yet returned to pre-Covid levels. There are several reasons for this, but the main one is due to the cost of living. We offer free places for youth leaders and children under four years old. During the year the Trust has supported 62 free leader places to the value of £6,903 and 51 free places for under fours.

Quantick Bursary Fund

The Trustees are pleased to continue the fund which has benefited 419 young people, who came to Heatree as part of their youth weekend away or school residential, and who would not otherwise have been able to do so. All applications submitted met the qualifying criteria and provided strong and encouraging reasoning for being awarded funding.

2024 Figures	Amount
Opening balance in Quantick Fund January 2024	£24,076
Total amount awarded in 2024	£22,661
Total amount raised from groups in 2024	£15,783
Total amount raised from donations in 2024	£1,388
Amount remaining in fund December 2024	£18,586

The feedback from our youth groups has been excellent and it is encouraging to know that the work is making a positive impact in the lives of over 419 young people. Here are some quotes from youth leaders:

'We took our youth group away here (Heatree Activity Centre) a few weeks ago, and we just wanted to say a very big thankyou to everyone who made it such a brilliant weekend. The staff on every level were excellent, the instructors were great also and the facilities were brilliant, we wanted for nothing. Our young people not only had fun but grew closer to the Lord. We had some amazing moments over the weekend. We are so grateful for everything you do, thankyou for serving us so well, it was brilliant and we appreciate all the work which must go on behind the scenes running such a fantastic place!' (Quantick Fund recipient group)

Our Camp at Heatree gave the teenage girls the opportunity to experience teambuilding outdoor activities led by Christian instructors. They also heard the gospel from our Camp Leaders, and the Christian girls were encouraged to develop and deepen their faith. A quote from one of our girls:

'Heatree is amazing as the instructors are really nice and will always find a way to link the Bible into the activities we do.'

It (Quantick Bursary) is a very generous fund which we have been grateful for in recent years. I don't think it can be improved.

There were a mixture of children from different backgrounds. Some encountered God in the Bible for the first time, others grew deeper in their knowledge and understanding of God's Word. They also built new friendships and took part in great activities! We have had an excellent experience of the application process and bursary in the last three years.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

(continued)

Friends of Heatree

We are thankful for the increase in membership of our Friends of Heatree support group which currently has 86 subscribed members. We have received many kind donations and regular support this year.

Donations

We would like to take the opportunity to thank the individuals, churches and organisations who generously donated time, money and resources to the Trust during 2024.

Staff

In 2024, we hired new staff members for our Catering and Office teams who are committed to improving the Heatree experience for our guests.

Software

During 2024 we brought in two key software systems, Breathe HR System and Venue 360 a new CRM. These systems are functioning well and delivering significant improvements for both guests and staff.

Catering

We have switched to the Goosemoor Educatering service, which has significantly improved the quality of our catering. We are now offering more locally sourced options and an increased variety of meals. The feedback from our schools has been excellent. Additionally, the Heatree Wing Kitchen has undergone an upgrade, featuring new flooring and kitchen units.

Activities

Two minibuses were purchased in 2024 to enhance guest's access to Dartmoor.

Estate - EDLRA, FiPL and Woodland Management Plan

In 2024, Heatree was awarded a grant of £17,000 from the Farming in Protected Landscapes (FiPL) fund to enhance our estate management and improve the communication of environmental information to our guests. This was payable in two installments, with the final amount payable at the end of the project in March 2025. We developed and submitted a woodland management plan, which was approved by the Forestry Commission. The East Dartmoor Landscape Recovery (EDLAR) scheme is ongoing, and we have received planning assistance and support for the environmental work already taking place at Heatree. Additionally, our conservation project aimed at supporting dormice has continued to be successful, with dormice spotted throughout the estate.

Future Plans

The Board of Trustees is actively developing strategic plans that were initiated in 2023 to ensure the longevity of the buildings and estate, as well as to uphold the vision and mission of the Charity for future generations. The trustees acknowledge the need for significant investment, particularly in improving accessibility, diversifying accommodation facilities, and enhancing the provision of activities. The goal is to submit plans for Planning Permission in 2025 and seek external funding to begin these developments.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

a. Going concern

The Trustees have assessed the prospects of the charity over the next 18 months through budgets, cashflow forecasts and discussion with the current auditors.

Future budgeting is based on up to three schools visiting in any one week, with the addition of grant funded groups and using the potential of a small 3rd wing for occasional extra groups. Future predictions take into account the rapid rise in most overhead costs, particularly in wages, catering, maintenance and energy.

The cash balance at the end of December 2024 was £709,035, which includes outstanding loan capital of £96,480. Based on the cashflows and budgets prepared the trustees are of the opinion that the charity is a going concern, and the accounts have therefore been prepared on a going concern basis.

b. Reserves policy

The trustees have examined the Charity's requirement for reserves, which are unrestricted funds not committed or invested in tangible fixed assets, to provide the Charity with a level of operational flexibility. The Board consider it appropriate to hold £120,000, representing a short period of operating costs, as a contingency reserve and given the seasonal nature of the Charity's operations, a further £100,000 by way of a cash flow reserve. The trustees consider this to be an appropriate amount to provide the necessary working capital for the Charity and to cover unforeseen events.

The total unrestricted reserves of the Charity on 31 December 2024 were £1,594,307 (2023: £1,660,814), of which £1,023,539 (2023: £1,085,045) is the Fixed Asset Reserve and £18,586 (2023: £24,076) relates to the Quantick Fund. The total restricted reserves of the Charity on 31 December 2024 were £3,580 (2023: £3,580) which relate to Camp Courageous. The unrestricted free reserves at the end of 2024 were £552,182.

After paying all costs and providing for working capital the Board's policy is to reinvest any surpluses, together with any donations received, into the further development of the Centre, to provide increased and improved facilities for the benefit of the users, in line with the Charity objectives.

c. Financial Review

The trustees regularly review income, profitability, and liquidity, comparing budgets with forecasts. The financial management of the Centre focuses on meeting its charitable aims and managing expenditure in line with activity volumes where possible.

At the end of 2024, before the deduction of depreciation, funds of £42,782 (2023: £73,854) were generated in the year. The depreciation charge for 2024 was £109,289 (2023: £106,358).

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.

HEATHERCOMBE BRAKE TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Auditors

The auditors, Griffin, 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 on
17th May 2025 and signed on their behalf by:


.....
J Bishop
(Chair of Trustees)

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees (who are also the directors of the Charity 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 Charity 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity 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 on
17th May 2025 and signed on its behalf by:


.....
J Bishop
(Chair of Trustees)

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE TRUST

Opinion

We have audited the financial statements of Heathercombe Brake Trust (the 'charity') for the year ended 31 December 2024 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 2024 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 Companies Act 2006.

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.

HEATHERCOMBE BRAKE TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

HEATHERCOMBE BRAKE TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE TRUST
(CONTINUED)

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.

Auditors' responsibilities for the audit of the financial statements

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:

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as on ongoing consideration of fraud and irregularities during the whole audit process.

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. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE TRUST
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Laura Waycott FCA (Senior statutory auditor)

for and on behalf of

Griffin

Statutory Auditor

Courtenay House

Pynes Hill

Exeter

EX2 5AZ

Date: 5/6/25

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Charitable activities	4	-	954,413	954,413	869,577
Investments	5	-	11,812	11,812	10,660
Total income		-	966,225	966,225	880,237
Expenditure on:					
Charitable activities	6	-	1,032,732	1,032,732	912,741
Total expenditure		-	1,032,732	1,032,732	912,741
Net movement in funds		-	(66,507)	(66,507)	(32,504)
Reconciliation of funds:					
Total funds brought forward		3,580	1,660,814	1,664,394	1,696,898
Net movement in funds		-	(66,507)	(66,507)	(32,504)
Total funds carried forward		3,580	1,594,307	1,597,887	1,664,394

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

The notes on pages 19 to 37 form part of these financial statements.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 04175683

BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10	1,023,539	<i>1,085,043</i>
		<u>1,023,539</u>	<u>1,085,043</u>
Current assets			
Stocks	11	11,469	<i>11,390</i>
Debtors	12	33,452	<i>38,323</i>
Cash at bank and in hand		709,035	<i>789,650</i>
		<u>753,956</u>	<u>839,363</u>
Creditors: amounts falling due within one year	13	(133,048)	<i>(163,532)</i>
		<u>620,908</u>	<u>675,831</u>
Net current assets		620,908	<i>675,831</i>
Total assets less current liabilities		1,644,447	<i>1,760,874</i>
Creditors: amounts falling due after more than one year	14	(46,560)	<i>(96,480)</i>
		<u>1,597,887</u>	<u>1,664,394</u>
Net assets excluding pension asset		1,597,887	<i>1,664,394</i>
Total net assets		1,597,887	<i>1,664,394</i>
Charity funds			
Restricted funds	15	3,580	<i>3,580</i>
Unrestricted funds			
Designated funds	15	1,042,125	<i>1,109,119</i>
General funds	15	552,182	<i>551,695</i>
		<u>1,594,307</u>	<u>1,660,814</u>
Total unrestricted funds	15	1,594,307	<i>1,660,814</i>
Total funds		1,597,887	<i>1,664,394</i>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

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

The Charity has opted to have a voluntary audit in accordance with section 145 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 on
and signed on their behalf by:



J Bishop
(Chair of Trustees)

The notes on pages 19 to 37 form part of these financial statements.

17th May 2025

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(3,004)	<i>78,478</i>
Cash flows from investing activities		
Dividends, interests and rents from investments	11,812	<i>10,660</i>
Proceeds from the sale of tangible fixed assets	12,300	<i>-</i>
Purchase of tangible fixed assets	(51,803)	<i>(31,787)</i>
Net cash used in investing activities	(27,691)	<i>(21,127)</i>
Cash flows from financing activities		
Repayments of borrowing	(49,920)	<i>(49,920)</i>
Net cash used in financing activities	(49,920)	<i>(49,920)</i>
Change in cash and cash equivalents in the year	(80,615)	<i>7,431</i>
Cash and cash equivalents at the beginning of the year	789,650	<i>782,219</i>
Cash and cash equivalents at the end of the year	709,035	<i>789,650</i>

The notes on pages 19 to 37 form part of these financial statements

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

Heathercombe Brake Trust is a Charitable Company, registered in England and Wales. The registration number is 04175683 and the registered office address is Heatree House, Manaton, Newton Abbot, Devon, TQ13 9XE.

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.

Heathercombe Brake 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 trustees confirm that, having considered their expectations and intentions for the next twelve months, and the availability of working capital, the Charity is a going concern.

2.3 Income

All income is recognised once the Charity 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.

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.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

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 Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of financial activities in the same period as related expenditure.

2.6 Interest receivable

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

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 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.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives as follows:

Freehold property	-	2%	Straight line
Building works included in freehold property	-	10%	Straight line
Plant and machinery	-	20%	Straight line
Motor vehicles	-	25%	Reducing balance
Fixtures and fittings	-	20%	Straight line

2.9 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.

2.10 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.

2.11 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.

2.12 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 Charity 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.

2.13 Financial instruments

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

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.14 Pensions

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

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 Charity 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 Charity 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 Charity 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.

Depreciation is estimated over the useful economic life of an asset in order to write off the value of this asset in line with life.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Income from charitable activities	954,413	954,413
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Income from charitable activities	869,577	869,577

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Investment income	11,812	11,812
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Investment income	10,660	10,660

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Charitable activities	390,336	642,396	1,032,732
	<i>Activities undertaken directly 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Charitable activities	313,750	598,991	912,741

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2024 £	Total funds 2024 £
Staff costs	276,952	276,952
Catering provisions	105,709	105,709
Housekeeping supplies	7,675	7,675
	<hr/> 390,336 <hr/>	<hr/> 390,336 <hr/>
	<i>Activities 2023 £</i>	<i>Total funds 2023 £</i>
Staff costs	232,876	232,876
Catering provisions	73,360	73,360
Housekeeping supplies	7,514	7,514
	<hr/> 313,750 <hr/>	<hr/> 313,750 <hr/>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2024 £	Total funds 2024 £
Staff costs	304,683	304,683
Depreciation	109,289	109,289
PPE equipment	1,770	1,770
Stationery and advertising	1,547	1,547
Telephone and internet	15,832	15,832
Motor and travel expenses	8,970	8,970
Repairs and maintenance	75,166	75,166
Bank charges and loan interest	10,335	10,335
Rates	14,373	14,373
Insurance	25,541	25,541
Heat and light	63,393	63,393
Staff training	9,674	9,674
Profit on disposal	(8,282)	(8,282)
Governance costs	10,105	10,105
	<hr/> 642,396 <hr/>	<hr/> 642,396 <hr/>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities</i> 2023 £	<i>Total</i> <i>funds</i> 2023 £
Staff costs	272,187	272,187
Depreciation	106,358	106,358
PPE equipment	923	923
Stationery and advertising	2,580	2,580
Telephone and internet	18,424	18,424
Motor and travel expenses	5,578	5,578
Repairs and maintenance	55,900	55,900
Bank charges and loan interest	13,144	13,144
Rates	9,487	9,487
Insurance	22,668	22,668
Heat and light	69,173	69,173
Staff training	11,205	11,205
Agency staff costs	1,500	1,500
Governance costs	9,864	9,864
	598,991	598,991
	598,991	598,991

7. Auditors' remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	6,186	6,186
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	2,580	2,568
	2,580	2,568

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

8. Staff costs

	2024	<i>2023</i>
	£	£
Wages and salaries	531,201	462,919
Social security costs	34,228	28,905
Contribution to defined contribution pension schemes	16,206	13,239
	581,635	<i>505,063</i>

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

	2024	<i>2023</i>
	No.	<i>No.</i>
Management	1	1
Support	31	27
	32	<i>28</i>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel of the charity comprise of the Centre Manager. The total employee benefit paid to the key management personnel in the year to 31 December 2024 is £39,630 (2023: £38,744).

9. Trustees' remuneration and expenses

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

During the year ended 31 December 2024, expenses totalling £486 in relation to travel expenses were reimbursed or paid directly to 2 Trustees (2023 - £226 to 1 Trustee).

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2024	1,850,294	331,060	21,334	199,746	2,402,434
Additions	11,149	5,495	30,398	4,762	51,804
Disposals	-	-	(19,200)	-	(19,200)
At 31 December 2024	<u>1,861,443</u>	<u>336,555</u>	<u>32,532</u>	<u>204,508</u>	<u>2,435,038</u>
Depreciation					
At 1 January 2024	909,103	215,917	17,156	175,215	1,317,391
Charge for the year	53,122	44,883	3,407	7,877	109,289
On disposals	-	-	(15,181)	-	(15,181)
At 31 December 2024	<u>962,225</u>	<u>260,800</u>	<u>5,382</u>	<u>183,092</u>	<u>1,411,499</u>
Net book value					
At 31 December 2024	<u><u>899,218</u></u>	<u><u>75,755</u></u>	<u><u>27,150</u></u>	<u><u>21,416</u></u>	<u><u>1,023,539</u></u>
At 31 December 2023	<u><u>941,191</u></u>	<u><u>115,143</u></u>	<u><u>4,178</u></u>	<u><u>24,531</u></u>	<u><u>1,085,043</u></u>

11. Stocks

	2024 £	2023 £
Kitchen and shop stock	<u><u>11,469</u></u>	<u><u>11,390</u></u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	23,488	29,529
Other debtors	7,824	8,794
Prepayments and accrued income	2,140	-
	33,452	38,323
	33,452	38,323

13. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank loans	49,920	49,920
Trade creditors	8,381	8,589
Other taxation and social security	2,003	3,384
Other creditors	5,430	1,327
Accruals and deferred income	67,314	100,312
	133,048	163,532
	133,048	163,532
	2024 £	2023 £
Deferred income at 1 January 2024	91,073	67,640
Resources deferred during the year	58,554	91,073
Amounts released from previous periods	(91,073)	(67,640)
	58,554	91,073
	58,554	91,073

At the balance sheet date the Chairty was holding funds received in advance of £58,554 from a number of schools in relation to deposits paid for future trips.

The bank loan balances consists of two Coronavirus Buisness Interruption Loans which have repayment terms of 6 years. For both loans no capital repayments are due for the first 12 months, the balances are then repayable over the remaining 5 years by monthly instalments. Interest is charged at 2.18% above base rate. These loans are unsecured.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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

	2024	2023
	£	£
Bank loans	46,560	96,480

Included within the above are amounts falling due as follows:

	2024	2023
	£	£
Between one and two years		
Bank loans	39,920	49,920
Between two and five years		
Bank loans	6,640	46,560
Over five years		

The bank loan balances consists of two Coronavirus Business Interruption Loans which have repayment terms of 6 years. For both loans no capital repayments are due for the first 12 months, the balances are then repayable over the remaining 5 years by monthly instalments. Interest is charged at 2.18% above base rate. These loans are unsecured.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2024 £
Unrestricted funds					
Designated funds					
Fixed asset reserve	1,085,043	-	(109,288)	47,784	1,023,539
Quantick fund	24,076	1,388	(22,661)	15,783	18,586
	<u>1,109,119</u>	<u>1,388</u>	<u>(131,949)</u>	<u>63,567</u>	<u>1,042,125</u>
General funds					
Free reserves	551,695	964,837	(900,783)	(63,567)	552,182
	<u>1,660,814</u>	<u>966,225</u>	<u>(1,032,732)</u>	<u>-</u>	<u>1,594,307</u>
Restricted funds					
Camp Courageous	3,580	-	-	-	3,580
	<u>1,664,394</u>	<u>966,225</u>	<u>(1,032,732)</u>	<u>-</u>	<u>1,597,887</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Statement of funds (continued)

DESIGNATED FUNDS

Quantick fund

The Quantick fund (previously known as the Access fund) is a hardship/deprivation fund available to needy and deprived groups, with a focus on disadvantaged children in a Christian environment. During the year income of £1,388 was received and £15,783 was transferred in from the free reserves. £22,661 was paid out of the fund resulting in a carried forward balance of £18,586.

Fixed asset fund

The fixed asset fund represents the carrying value of tangible fixed assets on the Charities Balance Sheet.

RESTRICTED FUNDS

Camp Courageous

The Charity established a legacy project on its 25th anniversary called Camp Courageous. In previous years the Charity raised funds to provide free places at the camp at Heatree for families from South Devon with children suffering from Down's Syndrome. There was no movement in this fund during the year.

GENERAL FUNDS

Free Reserves

This consists income and expenditure from school and youth group trips, as well as rental income through AirBnB.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2023 £</i>
Unrestricted funds					
Designated funds					
Fixed asset reserve	1,159,614	-	(106,358)	31,787	1,085,043
Quantick fund	15,519	1,760	(20,786)	27,583	24,076
	<u>1,175,133</u>	<u>1,760</u>	<u>(127,144)</u>	<u>59,370</u>	<u>1,109,119</u>
General funds					
Free reserves	518,185	878,477	(785,597)	(59,370)	551,695
	<u>1,693,318</u>	<u>880,237</u>	<u>(912,741)</u>	<u>-</u>	<u>1,660,814</u>
Restricted funds					
Camp Courageous	3,580	-	-	-	3,580
	<u>1,696,898</u>	<u>880,237</u>	<u>(912,741)</u>	<u>-</u>	<u>1,664,394</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

16. Summary of funds

Summary of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2024 £
Designated funds	1,109,119	1,388	(131,949)	63,567	1,042,125
General funds	551,695	964,837	(900,783)	(63,567)	552,182
Restricted funds	3,580	-	-	-	3,580
	<u>1,664,394</u>	<u>966,225</u>	<u>(1,032,732)</u>	<u>-</u>	<u>1,597,887</u>

Summary of funds - prior year

	<i>Balance at 1 January 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2023 £</i>
Designated funds	1,175,133	1,760	(127,144)	59,370	1,109,119
General funds	518,185	878,477	(785,597)	(59,370)	551,695
Restricted funds	3,580	-	-	-	3,580
	<u>1,696,898</u>	<u>880,237</u>	<u>(912,741)</u>	<u>-</u>	<u>1,664,394</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	1,023,539	1,023,539
Current assets	3,580	750,376	753,956
Creditors due within one year	-	(133,048)	(133,048)
Creditors due in more than one year	-	(46,560)	(46,560)
Total	<u>3,580</u>	<u>1,594,307</u>	<u>1,597,887</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	-	1,085,043	1,085,043
Current assets	3,580	835,783	839,363
Creditors due within one year	-	(163,532)	(163,532)
Creditors due in more than one year	-	(96,480)	(96,480)
Total	<u>3,580</u>	<u>1,660,814</u>	<u>1,664,394</u>

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

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	<u>(66,507)</u>	<u>(32,504)</u>
Adjustments for:		
Depreciation charges	109,289	106,358
Dividends, interests and rents from investments	(11,812)	(10,660)
Profit on the sale of fixed assets	(8,282)	-
(Increase)/Decrease in stocks	(80)	(2,192)
(Increase)/Decrease in debtors	4,872	(9,814)
Increase/(Decrease) in creditors	(30,484)	27,290
Net cash provided by/(used in) operating activities	<u><u>(3,004)</u></u>	<u><u>78,478</u></u>

19. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	709,035	789,650
Total cash and cash equivalents	<u><u>709,035</u></u>	<u><u>789,650</u></u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

20. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	Other non- cash changes £	At 31 December 2024 £
Cash at bank and in hand	789,650	(80,615)	-	709,035
Debt due within 1 year	(49,920)	49,920	(49,920)	(49,920)
Debt due after 1 year	(96,480)	-	49,920	(46,560)
	<u>643,250</u>	<u>(30,695)</u>	<u>-</u>	<u>612,555</u>

21. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independent administered fund. The pension cost charge represents contributions payable by the Company to the fund and mounted to £16,206 (2023: £13,239). Contributions totalling £2,003 (2023: £3,384) were payable to the fund at the balance sheet date and are included in creditors.

22. Related party transactions

J Bishop and M Pitts (trustees) are both directors of Cornerstone Academy Trust, which includes both Broadclyst and Westclyst Community Primary Schools. The Charity received £44,155 (2023: £33,903) in the year from these schools for residential trips. The costs charged to Broadclyst Community Primary Schools were inline with costs charged to other schools.

J Bishop's sister is the organiser of the youth group Dartmoor Christian Camp (DCC). The youth group paid a discounted price of £4,601 (2023: £6,933) for a residential trip . However, the discount offered to DDC was inline with discounts offered to other youth groups via the Quantick fund.

J Bishop's sister sold the charity a mini bus from the Belmont Chapel for £5,000. There was no discount offered and the decision was made by trustees excluding J Bishop.

M Pitts is a member of the Belmont Chapel the youth group visted for a weekend and paid a price of £1,083. The costs charged were inline with costs charged to other Chapels.

23. Controlling party

The Charity is under the control of the trustees and there is not considered to be an ultimate controlling party.

HEATHERCOMBE BRAKE TRUST

England & Wales - Charity number 1087001

Accounts

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

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HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees	J Bishop, Chair J Murray M Pitts I Rees A Webb
Company registered number	04175683
Charity registered number	1087001
Registered office	Heatree House Manaton Newton Abbot Devon TQ13 9XE
Senior Management Team	S McIlhenny, Centre Manager
Independent auditors	Griffin Chartered Accountants Courtenay House Pynes Hill Exeter EX2 5AZ

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Introduction

Heathercombe Brake Trust is a Christian charity that helps children and young people encounter God through adventure. The trustees of Heathercombe Brake Trust (the Charity) present their annual report and financial statements for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts, and comply with the Charity's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2023.

a. Objectives and Activities

Our Charity's purposes, as set out in the Objects contained in the company's Memorandum of Association are:

- To advance the education and promote the physical, spiritual, and mental welfare and development of children and young people and their families (especially but not exclusively those who have a disability or who suffer from any spiritual or other deprivation by virtue of their social or economic circumstances) within a Christian environment and ethos.
- To advance and promote the above amongst adults, as far as from time to time the Charity's facilities and resources exceed the demand for them amongst children, young people, and their families.
- To provide, manage and improve one or more residential activity centres conducted on Christian principles and to assist in organising conferences and training courses for the advancement of such purposes.

During 2023 the board of trustees agreed on a Vision and Mission statement, to provide a clearer understanding of the legal wording of the Objects in the Memorandum of Association. The statements help to explain how we use adventurous outdoor learning to fulfil our charitable objectives. The statements are as follows:

Our Vision

For children and young people to encounter God through adventure.

Our Mission

To facilitate outdoor adventure learning experiences through which children and young people can discover more about the Christian faith and have life-changing encounters with God.

Our outdoor learning programmes are specifically designed to help children and young people discover and explore the Christian faith, whilst developing their confidence, and understanding and appreciation of the natural environment. These enriching experiences provide opportunities where young people are challenged to step outside their comfort zone, expand their knowledge and promote their physical, spiritual, and mental well-being.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

b. Public Benefit

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Heatree enables access to places and activities that typically need specialist knowledge or equipment, which can leave them to be experienced by only a small percentage of the population. We are committed to making outdoor education accessible to everyone, regardless of life experience, socio economic background or ability. Our highly qualified and experienced team will adapt and tailor the activities to meet the needs of children and young people, facilitating individualised learning.

The Trust has covered the costs for 408 visitors on residential visits to Heatree with a value of £55,894 and a further 431 young people have been awarded discounted places for residentials at Heatree through the Quantick Bursary Fund, to the value of £20,786.

c. Structure, Governance and Management Constitution

Heathercombe Brake Trust is a charitable company limited by guarantee, trading as Heatree Activity Centre. It is governed by its Memorandum and Articles of Association, dated 8 March 2001, and amended by Special Resolution dated 1 August 2013. It is registered with the Charity Commission.

d. Appointment of Trustees

The trustees may, from time to time, seek to appoint new trustees. When choosing and appointing new trustees, emphasis is placed on their experience in the wider community and their sharing of the Christian faith and ethos. The number of trustees shall not be less than three or more than nine. Trustees are appointed for a term of three years and may renew that appointment for successive terms. No new Trustees were appointed during 2023.

Vacancies for trustees are posted on the Heatree Activity Centre website and any trustee may nominate potential new trustees to be considered for election. Once elected, new trustees will have a period of induction and training. This involves information sharing, visits to the Centre and interviews with other trustees. Ongoing training includes cascaded information from journals and forums, updates from professional organisations and regular reviews of publications.

The Board of Trustees generally meets four times every year to administer the Charity.

The pay policy for staff is proposed by the Chief Executive Officer, taking account of the Centre and individual performance, affordability, and market conditions, including legislative matters such as the statutory minimum and statutory living wage. The policy applies to all staff and is within a set banded pay structure. Two Trustees will be responsible for appraisal and performance management of the Chief Executive and pay awards for this role will be benchmarked against the same role in similar organisations and agreed by the Trustees. Trustees receive the proposals in the last Board meeting of each financial year and any pay awards are effective from 1st January the following year. Pay awards were made in 2023.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

e. Key Management Personnel

The key management personnel of the Charity during the year consisted of the Trustees and the Chief Executive Officer.

f. Risk Management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Centre's policies, which mitigate the inherent risks associated with the Centre and its activities, were reviewed during the year. The review drew on internal experience and external/professional advice to continue to ensure the Centre meets both internal and external scrutiny, with detailed attention paid to the relevant risk assessments. Procedures are in place for staff training, from the induction stage and covering all essential policies, including Safeguarding and Health and Safety.

Funds are allocated annually for ongoing asset maintenance and replacement, and plans are reviewed regularly to ensure facilities remain in good order and are appropriate for young people.

Appropriate commercial insurance cover is maintained annually to cover public and employer's liabilities and insuring buildings and facilities for replacement value.

The trustees are developing a new risk management framework to better enable a regular and systematic review of risks at every Board meeting.

Heatree is licensed by AALA (the Adventure Activities Licensing Authority) and has a highly experienced and qualified instructor team. We have been delivering high quality outdoor education programmes for over 30 years.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

a. Strategic Report

Achievements and Performance

We prioritise facilitating two main guest categories: youth groups and schools, and by incorporating life themes through the activity sessions, provide opportunities that guide young people towards encountering God's love and salvation.

Schools

During 2023 Heatree continued in the direction set post-Covid, to complement and assist schools in their learning and where applicable, their Christian ethos, by basing our outdoor education residential programmes on the Christian content of the Standing Advisory Council on Religious Education (SACRE) and RE Syllabus for Devon. Each programme is designed to make the syllabus outcomes tangible and accessible through different types of learning that take place throughout the week. We aim to make Christian ideas and beliefs come alive through stories, assemblies, activity debriefs and first-hand experience of the natural world. We have continued to offer a choice of three themes which are the focus of the schools' activity programmes; Foundations, Journey and Character. Each theme has a slightly different focus, and all are underpinned by high-quality outdoor instruction and develop elements of identity, teamwork and relationships.

Post-Covid we took the decision to prioritise four-night residential during the peak season and operate with a maximum of two schools on-site at a time. Academic research highlights the many advantages of outdoor school residential, and we believe that these parameters optimise the learning opportunities and maximise the benefits for children; improving the quality of the experience overall.

We offer free places for teachers in a ratio of 1:10 and free places for all SEND support staff. In 2023 the Trust provided additional staffing and support to schools for 299 helpers, at a value of £50,530

We have provided 2,465 school children this year with 8,284 bed nights. Our catchment area is primarily the South-West of England.

The feedback from our school groups has been excellent and it is encouraging to know that the work is having the desired impact on the children and young people who attend. The Trust continues to improve our accessibility provision; having purchased an all-terrain wheelchair in 2022 many guests have benefitted from having access to this specialist equipment. Here are some quotes from visiting school groups:

'Staff were amazing with our young people. Activities were constantly adapted to meet our needs and we were asked each day if we wanted or needed anything to make things better. Our instructors showed respectful interactions with our young people at all times and it was absolutely wonderful to be part of this experience for us all.'

'Heatree is a safe, welcoming and Christian Centre. Their ethos encompasses everything we value in our school. We love the way this threads through each day and into each activity enabling our children to be independent, resilient, caring individuals. Staff are outstanding!'

'Excellent, the activities were well suited to the needs of our students and the instructors are outstanding. We love coming here, it is always a pleasure and it allows our students to flourish.'

'Great to have access to the off-road wheelchair.'

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

Youth Groups

Our aspiration is that each young person who comes to Heatree will experience moments of awe and wonder at the incredible world they live in and the God who created it. Whether it is through attending a youth weekend away or on an enriching summer camp, we want to facilitate outdoor learning and opportunities for young people to encounter God.

Free Places

Our summer camp attendance has not yet returned to pre-Covid levels. There are several reasons for this, but the main one is due to the cost of living. We offer free places for youth leaders and children under four years old. During the year the Trust has supported 50 free leader places to the value of £5,364 and 62 free places for under fours.

Quantick Bursary Fund

The Trustees are pleased to continue the fund which has benefited 431 young people, who came to Heatree as part of their youth weekend away or school residential, and who would not otherwise have been able to do so. All applications submitted met the qualifying criteria and provided strong and encouraging reasoning for being awarded funding.

2023 Figures	Amount
Opening balance in Quantick Fund January 2023	£15,518.80
Total amount awarded in 2023	(£20,786.40)
Total amount raised from groups in 2023	£27,583.00
Total amount raised from donations in 2023	£1,760.31
Amount remaining in fund December 2023	£24,075.71

The feedback from our youth groups has been excellent and it is encouraging to know that the work is making a positive impact in the lives of over 431 young people. Here are some quotes from youth leaders:

'They (the children) were able to build a sense of community and strong friendships with each other. Also, they learned a lot about what it means to be a Christian and how we can display the fruits of the spirit in our everyday lives. Most of the youth aren't Christians themselves but come to church because of their parents. This weekend away gave them an opportunity to learn for themselves about Jesus and allowed them to make this faith their own. One youth was baptised this past Sunday and in his testimony, he shared that the first time he experienced God was on a past trip to Heatree during worship when a leader was praying for him. It (the bursary funding) was extremely helpful in bringing the price down, so that our trip away could be accessible to all.'

'We are so thankful to God for a very memorable and enjoyable Youth Weekend Away. Some highlights were racing down the slope on grass sledges, taking on the high ropes, and taking time in groups to chat and pray about what we had been hearing from God's word. Two young people who attended the weekend came from non-churchgoing homes and several others are on the fringes of our regular groups. To have them present and hearing four Bible talks across the weekend was hugely encouraging. The bursary allowed us to offer the weekend away at an affordable rate for young people. In three cases siblings attended together, so a lower price made this possible for parents. In every case it made coming on the weekend more appealing and there were at least two instances where the lower price made the difference in being able to afford the weekend or not.'

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

(continued)

Friends of Heatree

We are thankful for the increase in membership of our Friends of Heatree support group which currently has 58 subscribed members. We have received many kind donations and regular support this year.

Donations

We would like to take the opportunity to thank the individuals, churches and organisations who generously donated time, money and resources to the Trust during 2023.

Staff

In 2023, we hired new staff members who are dedicated to developing our youth and summer camp programmes, as well as enhancing the Christian elements of the Religious Education syllabus. We are thankful for the two volunteers who participated in the Venture Beyond gap year.

Young Men's Christian Association (YMCA)

Volunteer grounds work sessions were organised in partnership with the Exeter YMCA to clear laurel and improve activity sites. We hope that this relationship will continue to benefit both the YMCA residents and Heatree.

Sports Barn Upgrade

During 2023 a tree dropped a large limb onto the roof of the Sports Barn. A new, insulated roof has since been installed and is a great improvement. It is not only an excellent space to use for groups, but also maximises our options for activity sessions during periods of inclement weather.

A Rocha UK Partnership

During 2023 Heatree continued its partnership with A Rocha UK as a Partner in Action. A Rocha has been offering advice and assistance with the development of our estate management plans and how to improve the conservation and environmental work already going on at Heatree. A conservation project to assist dormice has proved successful, with nest boxes installed and nine dormice found across the estate.

b. Future Plans

At the Board of Trustees meeting in November 2023, there was an agreement to develop strategic plans to ensure the longevity of the buildings and estate and to enable the vision and mission of the Charity to be maintained for future generations. The Trustees recognised the need for large-scale investment, particularly around improving accessibility, diversification of accommodation facilities and ongoing development of the activities provision. The aim is to develop these during 2024 and to seek external funding.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

a. Going concern

The Trustees have assessed the prospects of the charity over the next 18 months through budgets, cashflow forecasts and discussion with the current auditors.

Future budgeting is based on two schools visiting in any one week. Future predictions take into account the rapid rise in most overhead costs, particularly in catering, maintenance and energy.

The cash balance at the end of January 2024 was predicted to be £743,185 (actual balance at end of January was £754,568) which includes outstanding loan capital of £146,400. Based on the cashflows and budgets prepared the trustees are of the opinion that the charity is a going concern, and the accounts have therefore been prepared on a going concern basis.

b. Reserves policy

The Trustees have examined the Charity's requirement for reserves, which are unrestricted funds not committed or invested in tangible fixed assets, to provide the Charity with a level of operational flexibility. The Board consider it appropriate to hold £120,000, representing a short period of operating costs, as a contingency reserve and given the seasonal nature of the Charity's operations, a further £100,000 by way of a cash flow reserve. The Trustees consider this to be an appropriate amount to provide the necessary working capital for the Charity and to cover unforeseen events.

The total unrestricted reserves of the Charity on 31 December 2023 were £1,660,814 (2022: £1,693,318), of which £1,085,043 (2022: £1,159,614) is the Fixed Asset Reserve and £24,076 (2022: £15,519) relates to the Quantick Fund. The total restricted reserves of the Charity on 31 December 2023 were £3,580 (2022: £3,580) which relate to Camp Courageous.

After paying all costs and providing for working capital the Board's policy is to reinvest any surpluses, together with any donations received, into the further development of the Centre, to provide increased and improved facilities for the benefit of the users, in line with the Charity objectives.

c. Financial Review

The Trustees regularly review income, profitability, and liquidity, comparing budgets with forecasts. The financial management of the Centre focuses on meeting its charitable aims and managing expenditure in line with activity volumes where possible.

At the end of 2023, before the deduction of depreciation, funds of £73,854 (2022: £611,909, which included proceeds from the sale of the property Brookside) were generated in the year. The depreciation charge for 2023 was £106,358 (2022: £149,435)

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

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, Griffin, 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 on
02/07/2024 and signed on their behalf by:



.....
J Bishop
(Chair of Trustees)

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees (who are also the directors of the Charity 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 Charity 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity 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 on
02/07/2024 and signed on its behalf by:



.....
J Bishop
(Chair of Trustees)

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE TRUST

Opinion

We have audited the financial statements of Heathercombe Brake Trust (the 'charity') 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 Companies Act 2006.

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.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE TRUST
(CONTINUED)

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.

Auditors' responsibilities for the audit of the financial statements

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:

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as on ongoing consideration of fraud and irregularities during the whole audit process.

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. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

HEATHERCOMBE BRAKE TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE TRUST
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Laura Waycott FCA (Senior statutory auditor)

for and on behalf of

Griffin

Statutory Auditor

Courtenay House

Pynes Hill

Exeter

EX2 5AZ

Date:

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	-	-	-	939
Charitable activities	5	-	869,577	869,577	821,638
Investments	6	-	10,660	10,660	762
Profit on sale of assets	7	-	-	-	494,917
Total income		-	880,237	880,237	1,318,256
Expenditure on:					
Charitable activities		-	912,741	912,741	855,782
Total expenditure		-	912,741	912,741	855,782
Net movement in funds		-	(32,504)	(32,504)	462,474
Reconciliation of funds:					
Total funds brought forward		3,580	1,693,318	1,696,898	1,234,424
Net movement in funds		-	(32,504)	(32,504)	462,474
Total funds carried forward		3,580	1,660,814	1,664,394	1,696,898

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

The notes on pages 19 to 38 form part of these financial statements.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 04175683

BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	1,085,043	1,159,614
		<u>1,085,043</u>	<u>1,159,614</u>
Current assets			
Stocks	13	11,390	9,198
Debtors	14	38,323	28,509
Cash at bank and in hand		789,650	782,219
		<u>839,363</u>	<u>819,926</u>
Creditors: amounts falling due within one year	15	(163,532)	(136,242)
Net current assets		<u>675,831</u>	<u>683,684</u>
Total assets less current liabilities		<u>1,760,874</u>	<u>1,843,298</u>
Creditors: amounts falling due after more than one year	16	(96,480)	(146,400)
Net assets excluding pension asset		<u>1,664,394</u>	<u>1,696,898</u>
Total net assets		<u><u>1,664,394</u></u>	<u><u>1,696,898</u></u>
Charity funds			
Restricted funds	17	3,580	3,580
Unrestricted funds			
Designated funds	17	1,109,119	1,175,133
General funds	17	551,695	518,185
Total unrestricted funds	17	<u>1,660,814</u>	<u>1,693,318</u>
Total funds		<u><u>1,664,394</u></u>	<u><u>1,696,898</u></u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

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

The Charity has opted to have a voluntary audit in accordance with section 145 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 on
and signed on their behalf by:

02/07/2024



J Bishop
(Chair of Trustees)

The notes on pages 19 to 38 form part of these financial statements.

HEATHERCOMBE BRAKE 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	78,478	160,300
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	10,660	765
Proceeds from the sale of tangible fixed assets	-	500,000
Purchase of tangible fixed assets	(31,787)	(44,217)
	<hr/>	<hr/>
Net cash (used in)/provided by investing activities	(21,127)	456,548
	<hr/>	<hr/>
Cash flows from financing activities		
Repayments of borrowing	(49,920)	(43,280)
	<hr/>	<hr/>
Net cash used in financing activities	(49,920)	(43,280)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	7,431	573,568
Cash and cash equivalents at the beginning of the year	782,219	208,651
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	789,650	782,219
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 19 to 38 form part of these financial statements

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

Heathercombe Brake Trust is a Charitable Company, registered in England and Wales. The registration number is 04175683 and the registered office address is Heatree House, Manaton, Newton Abbot, Devon, TQ13 9XE.

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.

Heathercombe Brake 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 trustees confirm that, having considered their expectations and intentions for the next twelve months, and the availability of working capital, the Charity is a going concern.

2.3 Income

All income is recognised once the Charity 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.

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.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

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 Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of financial activities in the same period as related expenditure.

2.6 Interest receivable

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

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 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.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives as follows:

Freehold property	-	2%	Straight line
Building works included in freehold property	-	10%	Straight line
Plant and machinery	-	20%	Straight line
Motor vehicles	-	25%	Reducing balance
Fixtures and fittings	-	20%	Straight line

2.9 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.

2.10 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.

2.11 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.

2.12 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 Charity 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.

2.13 Financial instruments

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

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.14 Pensions

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

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 Charity 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 Charity 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 Charity 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.

Depreciation is estimated over the useful economic life of an asset in order to write off the value of this asset in line with life.

HEATHERCOMBE BRAKE 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 £	Total funds 2023 £
Grants	-	-
	<u> </u>	<u> </u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Grants	939	939
	<u> </u>	<u> </u>

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Income from charitable activities	869,577	869,577
	<u> </u>	<u> </u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income from charitable activities	821,638	821,638
	<u> </u>	<u> </u>

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	10,660	10,660
	<u> </u>	<u> </u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. Investment income (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment income	762	762

7. Other incoming resources

	Total funds 2023 £
Profit on disposal of assets	-

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Profit on disposal of assets	494,917	494,917

On 13 December 2022 the Charity sold a bungalow for £500,000. This generated a profit on disposal of £487,766, which is included within the profit on disposal of assets above.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	313,750	598,991	912,741
	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Charitable activities	267,691	588,091	855,782

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2023 £	Total funds 2023 £
Staff costs	232,876	232,876
Catering provisions	73,360	73,360
Housekeeping supplies	7,514	7,514
	313,750	313,750
	313,750	313,750
	<i>As restated Activities 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	194,786	194,786
Catering provisions	65,984	65,984
Housekeeping supplies	6,921	6,921
	267,691	267,691
	267,691	267,691

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2023 £	Total funds 2023 £
Staff costs	272,187	272,187
Depreciation	106,358	106,358
PPE equipment	923	923
Stationery and advertising	2,580	2,580
Telephone and internet	18,424	18,424
Motor and travel expenses	5,578	5,578
Repairs and maintenance	55,900	55,900
Bank charges and loan interest	13,144	13,144
Rates	9,487	9,487
Insurance	22,668	22,668
Heat and light	69,173	69,173
Staff training	11,205	11,205
Legal and professional fees	1,500	1,500
Governance costs	9,864	9,864
	<hr/> 598,991 <hr/>	<hr/> 598,991 <hr/>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>As restated Activities 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	213,133	213,133
Depreciation	149,435	149,435
PPE equipment	970	970
Stationery and advertising	1,382	1,382
Telephone and internet	18,467	18,467
Motor and travel expenses	6,237	6,237
Repairs and maintenance	49,877	49,877
Bank charges and loan interest	8,090	8,090
Rates	8,814	8,814
Insurance	21,996	21,996
Heat and light	76,658	76,658
Staff training	4,513	4,513
Agency staff costs	18,921	18,921
Governance costs	9,598	9,598
	<u>588,091</u>	<u>588,091</u>

9. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	6,186	5,940
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	2,568	2,400
	<u>2,568</u>	<u>2,400</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. Staff costs

	2023	<i>2022</i>
	£	£
Wages and salaries	462,919	<i>375,596</i>
Social security costs	28,905	<i>21,920</i>
Contribution to defined contribution pension schemes	13,239	<i>10,403</i>
	505,063	<i>407,919</i>

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

	2023	<i>2022</i>
	No.	No.
Management	1	<i>1</i>
Support	27	<i>24</i>
	28	<i>25</i>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel of the charity comprise of the Centre Manager. The total employee benefit paid to the key management personnel in the year to 31 December 2023 is £38,744 (2022: £35,388).

11. Trustees' remuneration and expenses

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

During the year ended 31 December 2023, expenses totalling £226 in relation to travel expenses were reimbursed or paid directly to 1 Trustee (2022 - £776 to 2 Trustees).

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2023	1,835,630	329,757	21,334	183,926	2,370,647
Additions	14,664	1,303	-	15,820	31,787
At 31 December 2023	<u>1,850,294</u>	<u>331,060</u>	<u>21,334</u>	<u>199,746</u>	<u>2,402,434</u>
Depreciation					
At 1 January 2023	860,178	168,266	15,763	166,826	1,211,033
Charge for the year	48,925	47,651	1,393	8,389	106,358
At 31 December 2023	<u>909,103</u>	<u>215,917</u>	<u>17,156</u>	<u>175,215</u>	<u>1,317,391</u>
Net book value					
At 31 December 2023	<u><u>941,191</u></u>	<u><u>115,143</u></u>	<u><u>4,178</u></u>	<u><u>24,531</u></u>	<u><u>1,085,043</u></u>
<i>At 31 December 2022</i>	<u><u>975,452</u></u>	<u><u>161,491</u></u>	<u><u>5,571</u></u>	<u><u>17,100</u></u>	<u><u>1,159,614</u></u>

13. Stocks

	2023 £	2022 £
Kitchen and shop stock	<u><u>11,390</u></u>	<u><u>9,198</u></u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	29,529	6,843
Other debtors	8,794	21,666
	38,323	28,509
	38,323	28,509

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	49,920	49,920
Trade creditors	8,589	5,379
Other taxation and social security	3,384	2,861
Other creditors	1,327	1,827
Accruals and deferred income	100,312	76,255
	163,532	136,242
	163,532	136,242

	2023 £	2022 £
Deferred income at 1 January 2023	67,640	41,431
Resources deferred during the year	91,073	67,640
Amounts released from previous periods	(67,640)	(41,431)
	91,073	67,640
	91,073	67,640

At the balance sheet date the Chairty was holding funds received in advance of £91,073 from a number of schools in relation to deposits paid for future trips.

The bank loan balances consists of two Coronavirus Buisness Interruption Loans which have repayment terms of 6 years. For both loans no capital repayments are due for the first 12 months, the balances are then repayable over the remaining 5 years by monthly instalments. Interest is charged at 2.18% above base rate. These loans are unsecured.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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

	2023	<i>2022</i>
	£	£
Bank loans	96,480	<i>146,400</i>

Included within the above are amounts falling due as follows:

	2023	<i>2022</i>
	£	£
Between one and two years		
Bank loans	49,920	<i>49,920</i>
Between two and five years		
Bank loans	46,560	<i>96,480</i>
Over five years		

The bank loan balances consists of two Coronavirus Business Interruption Loans which have repayment terms of 6 years. For both loans no capital repayments are due for the first 12 months, the balances are then repayable over the remaining 5 years by monthly instalments. Interest is charged at 2.18% above base rate. These loans are unsecured.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Unrestricted funds					
Designated funds					
Fixed asset reserve	1,159,614	-	(106,358)	31,787	1,085,043
Quantick fund	15,519	1,760	(20,786)	27,583	24,076
	<u>1,175,133</u>	<u>1,760</u>	<u>(127,144)</u>	<u>59,370</u>	<u>1,109,119</u>
General funds					
Free reserves	518,185	878,477	(785,597)	(59,370)	551,695
Total Unrestricted funds	<u>1,693,318</u>	<u>880,237</u>	<u>(912,741)</u>	<u>-</u>	<u>1,660,814</u>
Restricted funds					
Camp Courageous	3,580	-	-	-	3,580
Total of funds	<u><u>1,696,898</u></u>	<u><u>880,237</u></u>	<u><u>(912,741)</u></u>	<u><u>-</u></u>	<u><u>1,664,394</u></u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

17. Statement of funds (continued)

DESIGNATED FUNDS

Quantick fund

The Quantick fund (previously known as the Access fund) is a hardship/deprivation fund available to needy and deprived groups, with a focus on disadvantaged children in a Christian environment. During the year income of £1,760 was received and £27,583 was transferred in from the free reserves. £20,786 was paid out of the fund resulting in a carried forward balance of £24,076.

Fixed asset fund

The fixed asset fund represents the carrying value of tangible fixed assets on the Charities Balance Sheet.

RESTRICTED FUNDS

Camp Courageous

The Charity established a legacy project on its 25th anniversary called Camp Courageous. In previous years the Charity raised funds to provide free places at the camp at Heatree for families from South Devon with children suffering from Down's Syndrome. There was no movement in this fund during the year.

GENERAL FUNDS

Free Reserves

This consists income and expenditure from school and youth group trips, as well as rental income through AirBnB.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2022 £</i>
Unrestricted funds					
Designated funds					
Fixed asset reserve	1,269,915	-	(149,435)	39,134	1,159,614
Quantick fund	15,317	350	(13,581)	13,433	15,519
	<u>1,285,232</u>	<u>350</u>	<u>(163,016)</u>	<u>52,567</u>	<u>1,175,133</u>
General funds					
Free reserves	(57,457)	822,989	(197,849)	(49,498)	518,185
Total Unrestricted funds	<u>1,227,775</u>	<u>823,339</u>	<u>(360,865)</u>	<u>3,069</u>	<u>1,693,318</u>
Restricted funds					
Camp Courageous	3,580	-	-	-	3,580
Wheelchair fund	3,069	-	-	(3,069)	-
	<u>6,649</u>	<u>-</u>	<u>-</u>	<u>(3,069)</u>	<u>3,580</u>
Total of funds	<u><u>1,234,424</u></u>	<u><u>823,339</u></u>	<u><u>(360,865)</u></u>	<u><u>-</u></u>	<u><u>1,696,898</u></u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Designated funds	1,175,133	1,760	(127,144)	59,370	1,109,119
General funds	518,185	878,477	(785,597)	(59,370)	551,695
Restricted funds	3,580	-	-	-	3,580
	<u>1,696,898</u>	<u>880,237</u>	<u>(912,741)</u>	<u>-</u>	<u>1,664,394</u>

Summary of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2022 £</i>
Designated funds	1,285,232	350	(163,016)	52,567	1,175,133
General funds	(57,457)	822,989	(197,849)	(49,498)	518,185
Restricted funds	6,649	-	-	(3,069)	3,580
	<u>1,234,424</u>	<u>823,339</u>	<u>(360,865)</u>	<u>-</u>	<u>1,696,898</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	1,085,043	1,085,043
Current assets	3,580	835,783	839,363
Creditors due within one year	-	(163,532)	(163,532)
Creditors due in more than one year	-	(96,480)	(96,480)
Total	<u>3,580</u>	<u>1,660,814</u>	<u>1,664,394</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2022 £</i>	<i>As restated Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	1,159,614	1,159,614
Current assets	3,580	816,346	819,926
Creditors due within one year	-	(136,242)	(136,242)
Creditors due in more than one year	-	(146,400)	(146,400)
Total	<u>3,580</u>	<u>1,693,318</u>	<u>1,696,898</u>

20. 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)	<u>(32,504)</u>	<u>462,474</u>
Adjustments for:		
Depreciation charges	106,358	149,435
Dividends, interests and rents from investments	(10,660)	(762)
Profit on the sale of fixed assets	-	(494,917)
(Increase)/Decrease in stocks	(2,192)	3,683
(Increase)/Decrease in debtors	(9,814)	9,859
Increase/(Decrease) in creditors	27,290	30,528
Net cash provided by operating activities	<u>78,478</u>	<u>160,300</u>

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	<u>789,650</u>	<u>782,219</u>
Total cash and cash equivalents	<u>789,650</u>	<u>782,219</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

22. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	Other non- cash changes £	At 31 December 2023 £
Cash at bank and in hand	782,219	7,431	-	789,650
Debt due within 1 year	(49,920)	49,920	(49,920)	(49,920)
Debt due after 1 year	(146,400)	-	49,920	(96,480)
	<u>585,899</u>	<u>57,351</u>	<u>-</u>	<u>643,250</u>

23. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independent administered fund. The pension cost charge represents contributions payable by the Company to the fund and mounted to £13,239 (2022: £10,403). Contributions totalling £3,384 (2022: £2,861) were payable to the fund at the balance sheet date and are included in creditors.

24. Related party transactions

J Bishop and M Pitts (trustees) are both directors of Cornerstone Academy Trust, which includes both Broadclyst and Westclyst Community Primary Schools. The Charity received £33,903 (2021: £36,020) in the year from these schools for residential trips. The costs charged to Broadclyst Community Primary Schools were inline with costs charged to other schools.

J Bishop's sister is the organiser of the youth group Dartmoor Christian Camp (DCC). The youth group paid a discounted price of £6,933 for a residential trip . However, the discount offered to DDC was inline with discounts offered to other youth groups via the Quantick fund.

25. Controlling party

The Charity is under the control of the trustees and there is not considered to be an ultimate controlling party.

SIGNATURE CERTIFICATE



REFERENCE NUMBER

0B450A01-63C2-4102-B83D-454B281C2498

TRANSACTION DETAILS

Reference Number

0B450A01-63C2-4102-B83D-454B281C2498

Transaction Type

Signature Request

Sent At

07/01/2024 06:14 EDT

Executed At

07/02/2024 16:43 EDT

Identity Method

email

Distribution Method

email

Signed Checksum

6c6ed17149eb5e96c85b3322b955412af868fde04a7759436e7550a87d86007

Signer Sequencing

Disabled

Document Passcode

Disabled

DOCUMENT DETAILS

Document Name

full accounts Heathercombe Brake Trust

Filename

full_accounts_Heathercombe_Brake_Trust_.pdf

Pages

40 pages

Content Type

application/pdf


File Size

275 KB

Original Checksum

47dcb973c5534af3dc5a1a959d031aae91c55e2c5e3afce2579b4898c58ee85b

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
<p>Name Jonathan Bishop</p> <p>Email jonathan.bishop@tcat.education</p> <p>Components 6</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum 5a119a1b42bfa947f9e67561717ac1e4982ba828863fc3cdf26f1681c31ca42</p> <p>IP Address 31.94.0.63</p> <p>Device Safari via Mac</p> <p>Drawn Signature </p> <p>Signature Reference ID 96CFA931</p> <p>Signature Biometric Count 2</p>	<p>Viewed At 07/02/2024 16:41 EDT</p> <p>Identity Authenticated At 07/02/2024 16:43 EDT</p> <p>Signed At 07/02/2024 16:43 EDT</p>

AUDITS

TIMESTAMP	AUDIT
07/01/2024 06:14 EDT	Team Griffin (office@griffinaccountancy.co.uk) created document 'full_accounts_Heathercombe_Brake_Trust_.pdf' on Chrome via Windows from 54.144.112.110.
07/01/2024 06:14 EDT	Jonathan Bishop (jonathan.bishop@tcat.education) was emailed a link to sign.
07/02/2024 16:41 EDT	Jonathan Bishop (jonathan.bishop@tcat.education) viewed the document on Safari via Mac from 31.94.0.63.
07/02/2024 16:43 EDT	Jonathan Bishop (jonathan.bishop@tcat.education) authenticated via email on Safari via Mac from 31.94.0.63.
07/02/2024 16:43 EDT	Jonathan Bishop (jonathan.bishop@tcat.education) signed the document on Safari via Mac from 31.94.0.63.

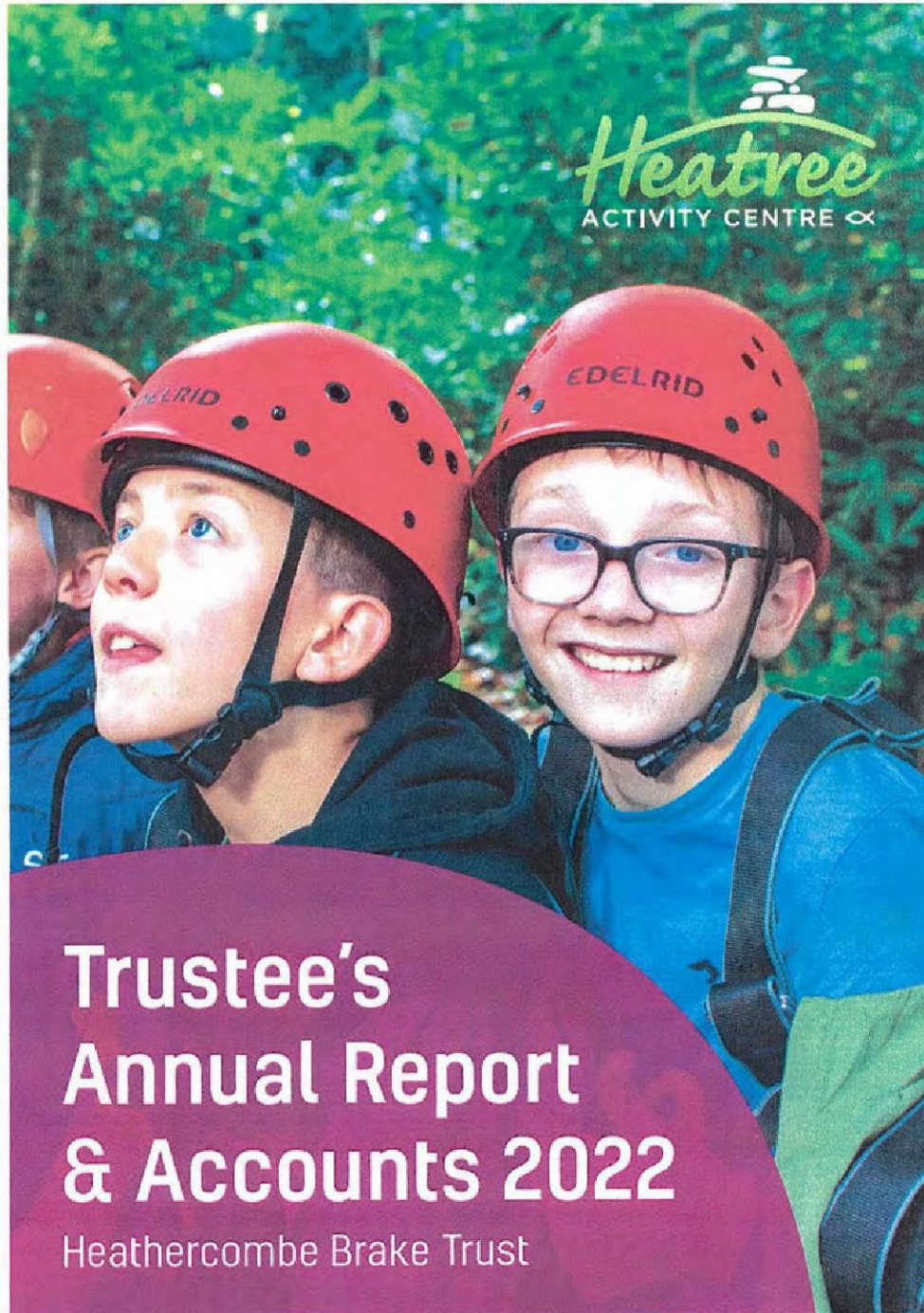
HEATHERCOMBE BRAKE TRUST

England & Wales - Charity number 1087001

Accounts

Registered number: 04175683
Charity number: 1087001

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



**Trustee's
Annual Report
& Accounts 2022**

Heathercombe Brake Trust

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

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HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	J Bishop, Chair J Murray M Pitts I Rees A Webb
Company registered number	04175683
Charity registered number	1087001
Registered office	Heatree House Manaton Newton Abbot Devon TQ13 9XE
Senior Management Team	S McIlhenny, Centre Manager
Independent auditors	Griffin Chartered Accountants Courtenay House Pynes Hill Exeter EX2 5AZ

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Trustee's Report

The Heathercombe Brake Trust is a Christian charity that aims to help children and young people encounter God through adventure. The trustees of Heathercombe Brake Trust (the Charity) present their annual report and financial statements for the year ended 31st December 2022. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Charities Act 2011 and *Accounting and Reporting by Charities: Statement of Recommended Practice* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31st December 2022.

Objectives and Activities

Our Charity's purposes as set out in the objects contained in the company's Memorandum of Association are:

- To advance the education and promote the physical, spiritual, and mental welfare and development of children and young people and their families (especially but not exclusively those who have a disability or who suffer from any spiritual or other deprivation by virtue of their social or economic circumstances) within a Christian environment and ethos.
- To advance and promote the above amongst adults, as far as from time to time the Charity's facilities and resources exceed the demand for them amongst children, young people, and their families.
- To provide, manage and improve one or more residential activity centres conducted on Christian principles and to assist in organising conferences and training courses for the advancement of such purposes.

The Heathercombe Brake Trust operates Heatree Activity Centre which is set within our stunning 180 acre estate within Dartmoor National Park. It provides fantastic opportunities to experience the beauty of creation and to learn more about God within a Christian ethos and environment.

At Heatree we see adventurous outdoor activities as a tool to facilitate learning and to develop skills. All our activities are designed to help children and young people explore and understand new ideas about the Christian faith, to develop their personal confidence and well-being and to increase their wonder and understanding of the natural world. By providing experiences that are out of young people's normal comfort zones, we can enable unique opportunities for them to develop physically, emotionally, spiritually and socially.

Public Benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Heatree enables access to places and activities that need special knowledge or equipment, which can leave activities to be experienced by only a small percentage of the population. We are committed to making outdoor education accessible to all, regardless of a young person's life experiences, background or abilities. Our highly qualified and experienced team will adapt and tailor the activities to meet the needs of children and young people; facilitating individualised learning. We hope that the experiences young people have here will be memorable and of long-lasting benefit, with the opportunity to use teamwork skills, develop trust in each other and learn more about the God who cares for them.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

Structure, Governance and Management Constitution

Heathercombe Brake Trust is a charitable company limited by guarantee, trading as Heatree Activity Centre. It is governed by its Memorandum and Articles of Association, dated 8th March 2001, and amended by Special Resolution dated 1st August 2013. It is registered with the Charity Commission.

Appointment of Trustees

The trustees may from time to time seek to appoint new trustees. When choosing and appointing new trustees, emphasis is placed on their experience in the wider community and their sharing of the Christian ethos. The number of trustees shall not be less than three or more than nine. Trustees are appointed for a term of three years and may renew that appointment for successive terms. No new Trustees were appointed during 2022.

Vacancies for trustees are posted on the Heatree Activity Centre website. In addition, any trustee may nominate potential new trustees to be considered for election. Once elected, new trustees will have a period of induction and training. This involves information sharing, visits to the Centre and interviews with other trustees. Ongoing training includes cascaded information from journals, forums, updates from professional organisations and regular reviews of publications. The Board of Trustees generally meets four times every year to administer the Charity.

The pay policy for staff is proposed by the Chief Executive Officer, taking account of the Centre and individual performance, affordability, and market conditions, including legislative matters such as the statutory minimum wage and the statutory living wage. The policy applies to all staff and is within a set banded pay structure. Two trustees will be responsible for the appraisal and performance management of the Chief Executive Officer and pay awards for this role will be benchmarked against the same role in similar organisations and agreed by the trustees. Trustees receive the proposals in the last Board meeting of each financial year and any pay awards are effective from 1st January the following year. Pay awards were made in 2022.

Key Management Personnel

The key management personnel of the Charity during the year consisted of the Trustees and the Chief Executive Officer.

Risk Management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Centre's policies which mitigate the inherent risks associated with the Centre and its activities were reviewed during the year. The review drew on internal experience and external/professional advice to continue to ensure the Centre meets both internal and external scrutiny, with detailed attention paid to the relevant risk assessments. Procedures are in place for staff training, from the induction stage and covering all essential policies, including Safeguarding and Health and Safety.

Funds are allocated annually for ongoing asset maintenance and replacement, and plans are reviewed regularly to ensure facilities remain in good order and are appropriate for young people.

Appropriate commercial insurance cover is maintained annually to cover public and employer's liabilities and for insuring buildings and facilities for replacement value.

The trustees are developing a new risk management framework to better enable a regular and systematic review of risks at every board meeting.

Heatree is licensed by AALA (the Adventure Activities Licensing Authority) and has a highly experienced and qualified instructor team. We have been delivering high quality outdoor education programmes for over 30 years.

Strategic Report

Achievements and Performance

At Heatree we believe that time spent in the outdoors is an important part of supporting a young person's happiness and well-being, as it helps improve their mental health and physical and spiritual development. Each activity provides moments to challenge themselves, to step out of routine thought and action pathways and discover a new way to interact with the world. As young people marvel at the beauty of the created world and expand the horizons of their perceived limitations, they will have opportunities to develop confidence, resilience and build relationships with others and God the creator. The temporary community formed during a residential experience is a very powerful tool for growth, with key relationships being made and opportunities for challenge.

We are privileged to focus on two main guest groups; youth groups and schools and it is the priority of the Trust to be able to facilitate these groups, leading to opportunities and experiences that give rise to encounters with God.

School Groups

Following the time of closure due to Covid-19 the board of trustees took the opportunity to review the focus of the work and several key decisions were made. The direction was set to complement and assist schools in their learning and, where applicable, their Christian ethos by basing our Outdoor Education residential programmes on the Standing Advisory Council on Religious Education (SACRE) and RE Syllabus for Devon. Each programme is designed to make the syllabus outcomes tangible and accessible through different types of learning that take place throughout the week. We aim to make complex ideas and beliefs come alive through stories, assemblies, activity debriefs and first-hand experience of the natural world. During 2022 we developed a choice of three themes which are the focus of the schools' activity programmes; these are Foundations, Journey and Character. The learning outcomes of these themes focus on Christian values and principles that are supported in the RE Syllabus, and facilitate an holistic experience, integrating adventurous activities with Christian stories and Bible teaching. Each theme has a slightly different focus, and all are underpinned by high quality outdoor instruction and develop elements of individual character, teamwork and relationships.

A strategic decision was made to prioritise four night residentials during the peak season. We feel that this optimises the learning opportunities and maximises the benefit to each child. Academic research has highlighted the benefits and power of residentials and we feel that this decision will improve the quality of the experience.

One of the impacts of this decision has been to extend the season for half week bookings, as these are limited to before Easter and after October Half term. We have seen a lengthening of the season with groups coming earlier into January and staying later in November.

A decision was made to remain operating with a maximum of two schools on site at a time. This again is designed to improve relationships and allows us to work in a more focused way with each group, with increased adaptability to change programmes in response to group needs.

We offer free places for teachers in a ratio of 1:10 and free places for all SEND support staff. The Trust has provided additional staffing and support to schools at a value of £45,750 in 2022. We have served 2388 school children this year with 8205 bed nights. Our catchment area is primarily the South West of England. The feedback from our school groups has been excellent and it is encouraging to know that the work is making an impact.

Youth Groups

Our aspiration is that each young person who comes to Heatree will experience moments of awe and wonder at the incredible world surrounding them and the God who made it. Whether it is through attending a youth group weekend or summer camp, we aim to facilitate learning and opportunities for young people to encounter God.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

“ Your facilities, standards and quality of teaching are superb. We love the time you give for reflection and how you adapt our activities for the children in each group. You make every child feel special and valued.

Teacher

”



HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

Christian youth summer camps are the focus for August bookings. Bookings have improved since 2021 and include new groups that are keen to continue using Heatree as their venue for future camps.

Quantick Bursary Fund

The trustees are pleased to continue the fund which has benefited 332 young people, who have come to Heatree as part of their youth group or school residential and who would not otherwise have been able to do so. All applications submitted met all the qualifying criteria and provided strong and encouraging reasoning for being awarded funding.

Total amount awarded in 2022	£13,581.20
Total amount raised from groups	£13,433.00
Estimated amount remaining in funds	£15,518.80

The feedback from our youth groups has been excellent and it is encouraging to know that the work is making a positive impact in over 287 young lives. Here is a quote from a youth leader:

'Most of the youth aren't Christians themselves but come to church because of their parents. This weekend away gave them an opportunity to learn for themselves about Jesus and allowed them to make this faith their own.'

Ukrainian Refugee Summer Camp

During August 2022 over 85 Ukrainians and a dedicated team of local volunteers came to Heatree for a few days of fun, adventure, rest and space to reconnect and be together. Many of the children and young people had the opportunity to try new activities and crafts. Highlights included the Wild Church which was held in the woods on the Heatree estate where families gathered for fellowship and explored the theme *'You are unique: God gave you a fingerprint no one else has... so you can leave an imprint no one else can.'* On the final evening the families united together in an emotional gathering to mark Ukrainian Independence Day. With thanks to so many generous donations from individuals and businesses across Devon, over £6837 was raised towards the event as well as £2,272.80 donated from the Quantick bursary fund, so that this event was free for the visiting Ukrainian families.

Young Men's Christian Association (YMCA)

Volunteer sessions doing grounds work were organised in partnership with the Exeter YMCA to clear laurel and improve the activity sites. We hope that this relationship will continue to benefit both the YMCA residents and Heatree.

New High Ropes Course

During 2022 a new indoor high ropes course and bouldering wall was completed in the Sports Barn. This improves our inclement weather options to help facilitate school residentials as the season extends to cover the winter months.

Future Plans

It is hoped that during 2023 there will be on-going work to finalise new Vision and Mission statements and an Estate Management Plan. These strategic documents will continue to focus the work of the Charity on its key beneficiaries and aid its ongoing recovery following the reopening after the Covid -19 pandemic.

We are now taking school bookings for full week (Mon-Fri) residential's only, throughout most of the year. Half week bookings are only available in November, December, January and February. Youth, Church and other groups continue over weekends and during school holidays.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

To meet the Aims of the Trust, staff and trustees ensure that the Christian environment and ethos is maintained and promoted to groups that use the Centre.

We are working to keep the prices offered to our guests as competitive and affordable as possible. In particular, as a Charity, we wish to support those with EHCP and those from backgrounds where higher levels of deprivation could potentially affect access to such opportunities that we provide at Heatree. We have developed the Quantick bursary fund to enable children from disadvantaged backgrounds to come and enjoy the Heatree experience, where other funds are not available to make this possible. This fund is raised in two ways, 1.) A percentage of the funds from "Church" and "Other" groups and 2.) through fundraising.

We have continued to maintain, replace, and repair our equipment and infrastructure during the year. One building on site has undergone a complete refurbishment, completed in 2022, which now provides staff accommodation. Two more buildings are also used as staff accommodation. Staff living on site are providing a warden service for the visiting groups and as numbers of volunteers and trainee instructors increase again, these staff will add to the community feel of the Centre.

The proceeds from the sale of Brookside have provided funds so that the trustees are now able to develop a long-term strategic capital investment plan to support further enhancement to buildings, potentially allowing for improved facilities to support accessibility.

Going concern

The Trustees have assessed the prospects of the charity over the next 18 months through budgets, cash flow forecasts and discussion with the current Auditors.

Future budgeting is based on two schools visiting in any one week. Future predictions now take into account the rapid rise in most overhead costs, particularly in Catering, Maintenance and Energy

The cash balance (excluding the sale of Brookside) at the end of March 2023 was predicted to be £101,056 (actual balance at end of March was £182,950) which includes outstanding loan capital of £183,840. Based on the cashflows and budgets prepared the trustees are of the opinion that the charity is a going concern, and the accounts have therefore been prepared on a going concern basis.

Reserve policy

The trustees have examined the Charity's requirement for reserves, which are unrestricted funds not committed or invested in tangible fixed assets, to provide the Charity with a level of operational flexibility. The Board consider it appropriate to hold £120,000, representing a short period of operating costs, as a contingency reserve and given the seasonal nature of the Charity's operations, a further £100,000 by way of a cash flow reserve. The trustees consider this to be an appropriate amount to provide the necessary working capital for the Charity and to cover unforeseen events.

The total unrestricted reserves of the Charity at 31 December 2022 were £1,693,318 (2021: £1,227,775), of which £1,159,614 (2021: £1,269,915) is the Fixed Asset Reserve and £15,519 (2021: £15,317) relates to the Quantick Fund. The total restricted reserves of the Charity at 31 December 2022 were £3,580 (2021: £6,649). The unrestricted free reserves at the end of 2022 were £518,185.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

After paying all costs and providing for working capital the Board's policy is to reinvest any surpluses, together with any donations received, into the further development of the Centre, to provide increased and improved facilities for the benefit of the users, in line with Charity objectives. The property called Brookside sold for the sum of £500,000 with completion in December 2022. The Trustees have decided to use the funds to underwrite the loan repayments, cover the winter cash flow and wages and provide funds for any necessary capital expenditure in the future. There are currently no plans for major capital expenditure.

Financial review

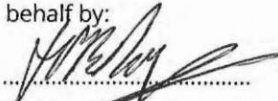
The trustees regularly review income, profitability, and liquidity, comparing with budgets and forecasts. The financial management of the Centre focuses on meeting its charitable aims and managing expenditure in line with activity volumes where possible.

At the end of 2022, before the deduction of depreciation, funds of £611,909 (2021: £51,908) were generated in the year. The depreciation charge for 2022 was £149,435 (2021: £260,178).

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the Charity on 12/9/23 and signed on its behalf by:



Mr Jonathan Bishop (Chairman) Trustee

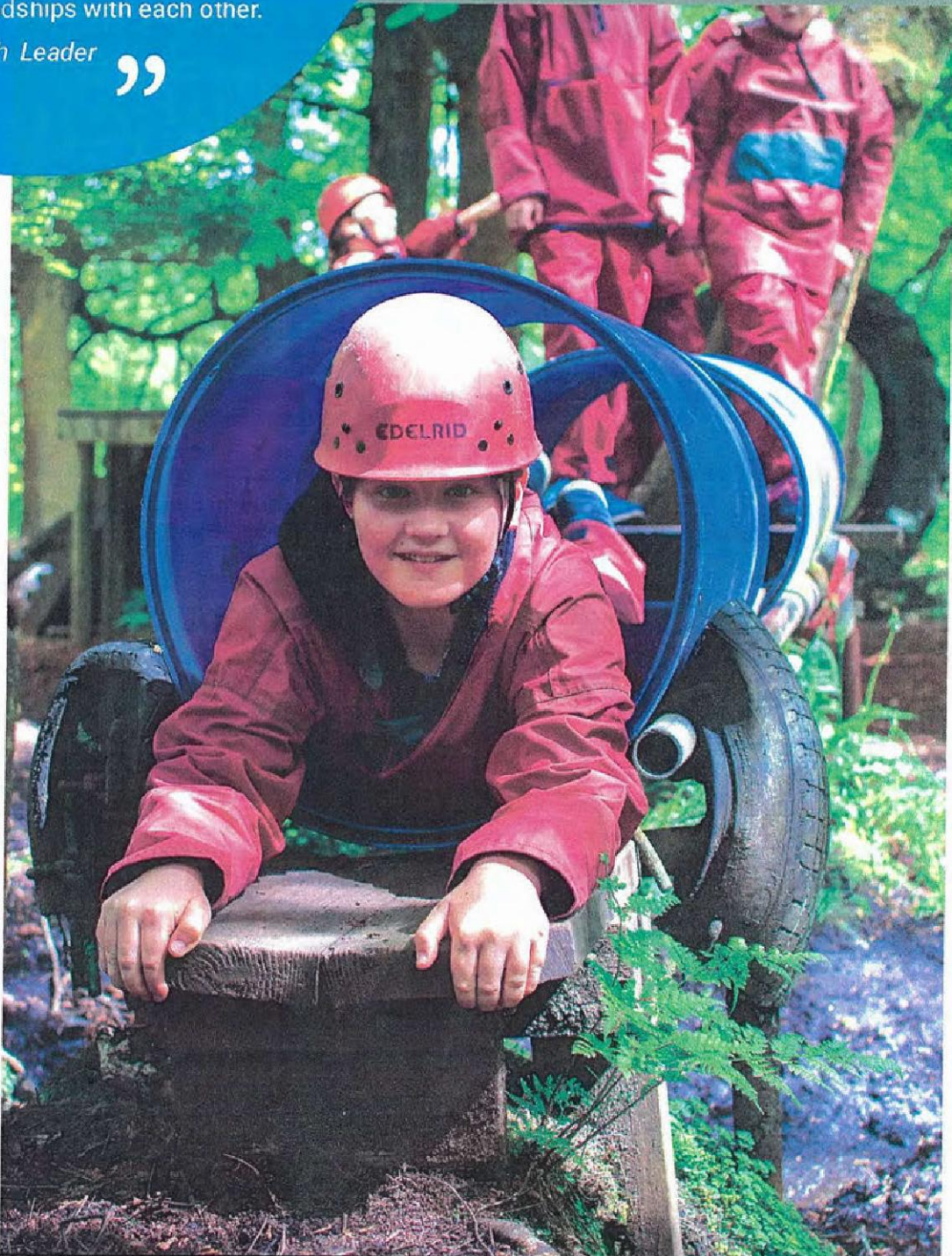
HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

“

It was a great opportunity for them to spend a whole weekend together. They really bonded and many of the young people built deeper friendships with each other.

Youth Leader

”



A Rocha UK Partnership

During 2022 Heatree formed a partnership with Christian conservation charity A Rocha UK. As a 'Partner in Action' A Rocha have been offering advice and assistance with the development of our estate management plans and to improve the conservation and environmental work already going on at Heatree.



AN A ROCHA UK PROJECT
PARTNERS  **IN ACTION**

2022: A Year in Figures

Youth

3429



Under 18s attending Heatree

287



Young people benefiting from bursary funding

£13,581



Awarded through the Quantick Bursary Fund

54



Free places provided for youth leaders

Schools

65



School Resentials provided

272



Free places provided for teachers

33



Free places provided for 1:1 support staff

2,655



Roast dinners served to school groups

Estate

1



Estate tractor purchased

16



Bird boxes installed around the estate

55



Hours donated by YMCA Volunteers

1



New Partnership formed with A Rocha UK

Icons sourced from Flaticon.com (see Image Credits)

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees (who are also the directors of the Charity 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 Charity 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity 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 on
12th SEPTEMBER 23 and signed on its behalf by:



J Bishop
(Chair of Trustees)

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE TRUST

Opinion

We have audited the financial statements of Heathercombe Brake Trust (the 'charity') for the year ended 31 December 2022 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 2022 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 Companies Act 2006.

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.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE TRUST
(CONTINUED)

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.

Auditors' responsibilities for the audit of the financial statements

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:

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as on ongoing consideration of fraud and irregularities during the whole audit process.

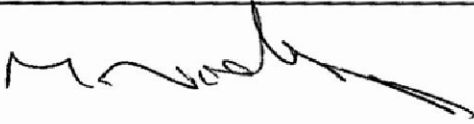
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEATHERCOMBE BRAKE TRUST
(CONTINUED)



Misty Nickells FCA (Senior statutory auditor)

for and on behalf of

Griffin

Statutory Auditor

Courtenay House

Pynes Hill

Exeter

EX2 5AZ

Date: 13/09/23

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	-	939	939	85,530
Charitable activities	5	-	821,638	821,638	464,568
Other trading activities	6	-	-	-	1,026
Investments	7	-	762	762	17
Profit on sale of assets	8	-	494,917	494,917	-
Total income		-	1,318,256	1,318,256	551,141
Expenditure on:					
Charitable activities	9	-	855,782	855,782	759,411
Total expenditure		-	855,782	855,782	759,411
Net income/(expenditure)		-	462,474	462,474	(208,270)
Transfers between funds	18	(3,069)	3,069	-	-
Net movement in funds		(3,069)	465,543	462,474	(208,270)
Reconciliation of funds:					
Total funds brought forward		6,649	1,227,775	1,234,424	1,442,694
Net movement in funds		(3,069)	465,543	462,474	(208,270)
Total funds carried forward		3,580	1,693,318	1,696,898	1,234,424

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

The notes on pages 23 to 43 form part of these financial statements.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 04175683

BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	1,159,614	1,269,915
		<u>1,159,614</u>	<u>1,269,915</u>
Current assets			
Stocks	14	9,198	12,881
Debtors	15	28,509	38,370
Cash at bank and in hand		782,219	208,651
		<u>819,926</u>	<u>259,902</u>
Creditors: amounts falling due within one year	16	(136,242)	(99,134)
Net current assets		<u>683,684</u>	<u>160,768</u>
Total assets less current liabilities		<u>1,843,298</u>	<u>1,430,683</u>
Creditors: amounts falling due after more than one year	17	(146,400)	(196,259)
Net assets excluding pension asset		<u>1,696,898</u>	<u>1,234,424</u>
Total net assets		<u><u>1,696,898</u></u>	<u><u>1,234,424</u></u>
Charity funds			
Restricted funds	18	3,580	6,649
Unrestricted funds			
Designated funds	18	1,175,133	1,285,232
General funds	18	518,185	(57,457)
Total unrestricted funds	18	<u>1,693,318</u>	<u>1,227,775</u>
Total funds		<u><u>1,696,898</u></u>	<u><u>1,234,424</u></u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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 on **12th SEPTEMBER 2023** and signed on their behalf by:



J Bishop
(Chair of Trustees)

The notes on pages 23 to 43 form part of these financial statements.

HEATHERCOMBE BRAKE 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	160,300	(4,395)
Cash flows from investing activities		
Dividends, interests and rents from investments	765	17
Proceeds from the sale of tangible fixed assets	500,000	-
Purchase of tangible fixed assets	(44,217)	(1,677)
Net cash provided by/(used in) investing activities	456,548	(1,660)
Cash flows from financing activities		
Cash inflows from new borrowing	-	100,000
Repayments of borrowing	(43,280)	(10,400)
Net cash (used in)/provided by financing activities	(43,280)	89,600
Change in cash and cash equivalents in the year	573,568	83,545
Cash and cash equivalents at the beginning of the year	208,651	125,106
Cash and cash equivalents at the end of the year	782,219	208,651

The notes on pages 23 to 43 form part of these financial statements

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Heathercombe Brake Trust is a Charitable Company, registered in England and Wales. The registration number is 04175683 and the registered office address is Heatree House, Manaton, Newton Abbot, Devon, TQ13 9XE.

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.

Heathercombe Brake 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 trustees confirm that, having considered their expectations and intentions for the next twelve months, and the availability of working capital, the Charity is a going concern.

2.3 Income

All income is recognised once the Charity 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.

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.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

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 Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of financial activities in the same period as related expenditure.

2.6 Interest receivable

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

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 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.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives as follows:

Freehold property	-	2% Straight line
Building works included in freehold property	-	10% Straight line
Plant and machinery	-	20% Straight line
Motor vehicles	-	25% Reducing balance
Fixtures and fittings	-	20% Straight line

2.9 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.

2.10 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.

2.11 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.

2.12 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 Charity 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.

2.13 Financial instruments

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

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.14 Pensions

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

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 Charity 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 Charity 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 Charity 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.

Depreciation is estimated over the useful economic life of an asset in order to write off the value of this asset in line with life.

HEATHERCOMBE BRAKE 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 £	Total funds 2022 £
Grants	939	939
	939	939

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Grants	85,530	85,530
	85,530	85,530

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Income from charitable activities	821,638	821,638
	821,638	821,638

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Income from charitable activities	50	464,518	464,568
	50	464,518	464,568

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Income from other trading activities

Income from non charitable trading activities

	<i>Unrestricted funds 2021 £</i>	Total funds 2022 £
Property rental income	<u>1,026</u>	<u>1,026</u>

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	<u>762</u>	<u>762</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income	<u>17</u>	<u>17</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Profit on disposal of assets	494,917	494,917	-

On 13 December 2022 the Charity sold a bungalow for £500,000. This generated a profit on disposal of £487,766, which is included within the profit on disposal of assets above.

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	267,691	588,091	855,782

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Charitable activities	121,675	637,736	759,411

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £
Staff costs	194,786	194,786
Catering provisions	65,984	65,984
Housekeeping supplies	6,921	6,921
	<u>267,691</u>	<u>267,691</u>
	<i>As restated</i>	<i>Total</i>
	<i>Activities</i>	<i>funds</i>
	<i>2021</i>	<i>2021</i>
	<i>£</i>	<i>£</i>
Staff costs	85,993	85,993
Catering provisions	30,835	30,835
Housekeeping supplies	4,847	4,847
	<u>121,675</u>	<u>121,675</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £
Staff costs	213,133	213,133
Depreciation	149,435	149,435
PPE equipment	970	970
Stationery and advertising	1,382	1,382
Telephone and internet	18,467	18,467
Motor and travel expenses	6,237	6,237
Repairs and maintenance	49,877	49,877
Bank charges and loan interest	8,090	8,090
Rates	8,814	8,814
Insurance	21,996	21,996
Heat and light	76,658	76,658
Staff training	4,513	4,513
Legal and professional fees	18,921	18,921
Governance costs	9,598	9,598
	<hr/>	<hr/>
	588,091	588,091
	<hr/>	<hr/>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>As restated Activities 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	222,982	222,982
Depreciation	260,178	260,178
PPE equipment	158	158
Stationery and advertising	1,222	1,222
Telephone and internet	13,084	13,084
Motor and travel expenses	2,998	2,998
Repairs and maintenance	58,527	58,527
Bank charges and loan interest	1,368	1,368
Rates	5,568	5,568
Insurance	17,409	17,409
Heat and light	44,305	44,305
Staff training	936	936
Governance costs	9,001	9,001
	<u>637,736</u>	<u>637,736</u>

10. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	5,940	5,250
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	2,400	2,880
	<u>2,400</u>	<u>2,880</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Staff costs

	2022	2021
	£	£
Wages and salaries	375,596	283,982
Social security costs	21,920	16,297
Contribution to defined contribution pension schemes	10,403	8,696
	<u>407,919</u>	<u>308,975</u>

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

	2022	2021
	No.	No.
Management	1	1
Support	24	20
	<u>25</u>	<u>21</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel of the charity comprise of the Centre Manager. The total employee benefit paid to the key management personnel in the year to 31 December 2022 is £85,398 (2021: £36,375).

12. Trustees' remuneration and expenses

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

During the year ended 31 December 2022, expenses totalling £776 in relation to travel expenses were reimbursed or paid directly to 2 Trustees (2021 - £404 to 2 Trustees).

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2022	1,922,503	326,110	21,334	196,632	2,466,579
Additions	-	31,813	-	12,404	44,217
Disposals	(86,873)	(28,166)	-	(25,110)	(140,149)
At 31 December 2022	<u>1,835,630</u>	<u>329,757</u>	<u>21,334</u>	<u>183,926</u>	<u>2,370,647</u>
Depreciation					
At 1 January 2022	878,735	144,436	13,906	159,587	1,196,664
Charge for the year	76,864	51,996	1,857	18,718	149,435
On disposals	(95,421)	(28,166)	-	(11,479)	(135,066)
At 31 December 2022	<u>860,178</u>	<u>168,266</u>	<u>15,763</u>	<u>166,826</u>	<u>1,211,033</u>
Net book value					
At 31 December 2022	<u>975,452</u>	<u>161,491</u>	<u>5,571</u>	<u>17,100</u>	<u>1,159,614</u>
At 31 December 2021	<u>1,043,768</u>	<u>181,674</u>	<u>7,428</u>	<u>37,045</u>	<u>1,269,915</u>

14. Stocks

	2022 £	2021 £
Kitchen and shop stock	<u>9,198</u>	<u>12,881</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	6,843	26,870
Other debtors	21,666	11,500
	28,509	38,370

16. Creditors: Amounts falling due within one year

	2022 £	<i>As restated</i> 2021 £
Bank loans	49,920	43,341
Trade creditors	5,379	121
Other taxation and social security	2,861	2,651
Other creditors	1,827	1,849
Accruals and deferred income	76,255	51,172
	136,242	99,134
	2022 £	2021 £
Deferred income at 1 January 2022	41,431	14,561
Resources deferred during the year	67,640	41,431
Amounts released from previous periods	(41,431)	(14,561)
	67,640	41,431

At the balance sheet date the Charity was holding funds received in advance of £67,640 from a number of schools in relation to deposits paid for future trips.

The bank loan balances consists of two Coronavirus Business Interruption Loans which have repayment terms of 6 years. For both loans no capital repayments are due for the first 12 months, the balances are then repayable over the remaining 5 years by monthly instalments. Interest is charged at 2.18% above base rate. These loans are unsecured.

HEATHERCOMBE BRAKE 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	146,400	196,259

The bank loan balances consists of two Coronavirus Buisness Interruption Loans which have repayment terms of 6 years. For both loans no capital repayments are due for the first 12 months, the balances are then repayable over the remaining 5 years by monthly instalments. Interest is charged at 2.18% above base rate. These loans are unsecured.

HEATHERCOMBE BRAKE 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 £	Transfers in/out £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
Fixed asset reserve	1,269,915	-	(149,435)	39,134	1,159,614
Quantick fund	15,317	350	(13,581)	13,433	15,519
	<u>1,285,232</u>	<u>350</u>	<u>(163,016)</u>	<u>52,567</u>	<u>1,175,133</u>
General funds					
Free reserves	(57,457)	822,989	(197,849)	(49,498)	518,185
Total Unrestricted funds	<u>1,227,775</u>	<u>823,339</u>	<u>(360,865)</u>	<u>3,069</u>	<u>1,693,318</u>
Restricted funds					
Camp Courageous	3,580	-	-	-	3,580
Wheelchair fund	3,069	-	-	(3,069)	-
	<u>6,649</u>	<u>-</u>	<u>-</u>	<u>(3,069)</u>	<u>3,580</u>
Total of funds	<u><u>1,234,424</u></u>	<u><u>823,339</u></u>	<u><u>(360,865)</u></u>	<u><u>-</u></u>	<u><u>1,696,898</u></u>

Designated funds

Quantick fund

The Quantick fund (previously known as the Access fund) is a hardship/deprivation fund available to needy and deprived groups, with a focus on disadvantaged children in a Christian environment. During the year income of £350 was received and £13,433 was transferred in from the free reserves. £13,581 was paid out of the fund resulting in a carried forward balance of £15,519.

Fixed asset fund

The fixed asset fund represents the carrying value of tangible fixed assets on the Charities Balance Sheet.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

18. Statement of funds (continued)

Restricted funds

Camp Courageous

The Charity established a legacy project on its 25th anniversary called Camp Courageous. In previous years the Charity raised funds to provide free places at the camp at Heatree for families from South Devon with children suffering from Down's Syndrome. There was no movement in this fund during the year.

Wheelchair fund

The wheelchair fund was set up to hold money back for the purchase of a specialist wheelchair for which the Charity has received a specific quote. This year the fund was fully spent on the purchase of said wheelchair and thus there is no balance being carried forward into 2023.

Statement of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2021 £</i>
Unrestricted funds					
Designated funds					
Fixed asset reserve	1,528,416	-	(260,178)	1,677	1,269,915
Quantick fund	4,717	10,600	-	-	15,317
	<u>1,533,133</u>	<u>10,600</u>	<u>(260,178)</u>	<u>1,677</u>	<u>1,285,232</u>
General funds					
Free reserves	(97,564)	540,491	(498,707)	(1,677)	(57,457)
Total Unrestricted funds	<u>1,435,569</u>	<u>551,091</u>	<u>(758,885)</u>	<u>-</u>	<u>1,227,775</u>
Restricted funds					
Camp Courageous	4,106	-	(526)	-	3,580
Wheelchair fund	3,019	50	-	-	3,069
	<u>7,125</u>	<u>50</u>	<u>(526)</u>	<u>-</u>	<u>6,649</u>
Total of funds	<u>1,442,694</u>	<u>551,141</u>	<u>(759,411)</u>	<u>-</u>	<u>1,234,424</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
Designated funds	1,285,232	350	(163,016)	52,567	1,175,133
General funds	(57,457)	822,989	(197,849)	(49,498)	518,185
Restricted funds	6,649	-	-	(3,069)	3,580
	<u>1,234,424</u>	<u>823,339</u>	<u>(360,865)</u>	<u>-</u>	<u>1,696,898</u>

Summary of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Designated funds	1,533,133	10,600	(260,178)	1,677	1,285,232
General funds	(97,564)	540,491	(498,707)	(1,677)	(57,457)
Restricted funds	7,125	50	(526)	-	6,649
	<u>1,442,694</u>	<u>551,141</u>	<u>(759,411)</u>	<u>-</u>	<u>1,234,424</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	1,159,614	1,159,614
Current assets	3,580	816,346	819,926
Creditors due within one year	-	(136,242)	(136,242)
Creditors due in more than one year	-	(146,400)	(146,400)
Total	<u>3,580</u>	<u>1,693,318</u>	<u>1,696,898</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>As restated Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	1,269,915	1,269,915
Current assets	6,649	253,253	259,902
Creditors due within one year	-	(99,134)	(99,134)
Creditors due in more than one year	-	(196,259)	(196,259)
Total	<u>6,649</u>	<u>1,227,775</u>	<u>1,234,424</u>

21. 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)	<u>462,474</u>	<u>(208,270)</u>
Adjustments for:		
Depreciation charges	149,435	260,178
Dividends, interests and rents from investments	(762)	(17)
Profit on the sale of fixed assets	(494,917)	-
(Increase)/Decrease in stocks	3,683	(3,321)
(Increase)/Decrease in debtors	9,859	(16,415)
Increase/(Decrease) in creditors	30,528	(36,550)
Net cash provided by/(used in) operating activities	<u>160,300</u>	<u>(4,395)</u>

22. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	<u>782,219</u>	<u>208,651</u>
Total cash and cash equivalents	<u>782,219</u>	<u>208,651</u>

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

23. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	Other non- cash changes £	At 31 December 2022 £
Cash at bank and in hand	208,651	573,568	-	782,219
Debt due within 1 year	(43,341)	43,280	(49,859)	(49,920)
Debt due after 1 year	(196,259)	-	49,859	(146,400)
	<u>(30,949)</u>	<u>616,848</u>	<u>-</u>	<u>585,899</u>

24. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independent administered fund. The pension cost charge represents contributions payable by the Company to the fund and mounted to £10,493 (2021: £8,696). Contributions totalling £2,861 (2021: £2,651) were payable to the fund at the balance sheet date and are included in creditors.

25. Related party transactions

J Bishop and M Pitts (trustees) are both directors of Cornerstone Academy Trust, which includes both Broadclyst and Westclyst Community Primary Schools. The Charity received £36,020 (2021: £Nil) in the year from these schools for residential trips. The costs charged to both Broadclyst and Westclyst Community Primary Schools were inline with costs charged to other schools.

J Bishop's sister is the organiser of the youth group Dartmoor Christian Camp (DCC). The youth group paid a discounted price of £5,558 for a residential trip. However, the discount offered to DDC was inline with discounts offered to other youth groups via the Quantick fund.

The Charity made purchases of £Nil (2021: £96) for IT services during the year from Clystnet, the Chair of Cornerstone Academy Trust, Henry Massey, owns this company.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

26. Controlling party

The Charity is under the control of the trustees and there is not considered to be an ultimate controlling party.

HEATHERCOMBE BRAKE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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Find us on:



Heathercombe Brake Trust - a Charitable company limited by guarantee and registered in England & Wales. Company Registered No: 4175683 Charity No: 1087001

HEATHERCOMBE BRAKE TRUST

England & Wales - Charity number 1087001

Accounts

Company registration number: 04175683

Charity registration number: 1087001

Heathercombe Brake Trust

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Heathercombe Brake Trust

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Heathercombe Brake Trust

Reference and Administrative Details

Trustees	Mr Jonathan Bishop (Chairman) Mr James Murray Mr Matthew Pitts Mr Ian Rees Mr Adrian Webb
Senior Management Team	Mr Stephen McIlhenny, Centre Manager
Principal Office	Heatree House Manalon Newton Abbot Devon TQ13 9XE The charity was incorporated on 08/03/2001.
Company Registration Number	04175683
Charity Registration Number	1087001
Auditor	PKF Francis Clark North Quay House Sutton Harbour Plymouth Devon PL4 0RA

Heathercombe Brake Trust

Trustees' Report

The trustees (who are also the directors for the purposes of company law) of Heathercombe Brake Trust (the charity) present their annual report and financial statements for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 11 January 2019 and second edition - October 2019.

Trustees

Mr Jonathan Bishop (Chairman)

Mr James Murray (appointed 11 December 2021)

Mr Matthew Pitts

Mr Ian Rees

Mr Adrian Webb

Objectives and aims

Objectives, strategies and activities

Our charity's purposes as set out in the objects contained in the charitable company's Memorandum of Association are:

- To advance the education and promote the physical, spiritual, and mental welfare and development of children and young people and their families (especially but not exclusively those who have a disability or who suffer from any spiritual or other deprivation by virtue of their social or economic circumstances) within a Christian environment and ethos.
- To advance and promote the above amongst adults, insofar as from time to time the charity's facilities and resources exceed the demand for them amongst children, young people, and their families.
- To provide, manage and improve one or more residential activity centres conducted on Christian principles and to assist in organising conferences and training courses for the advancement of such purposes.

Heathercombe Brake Trust is a Christian Charity with an aim to provide young people with a unique residential experience that improves their lives. The aims of the charity are achieved at Heatree Activity Centre by providing a wide range of high-quality outdoor education, utilising the natural environment of its Dartmoor location and incorporating environmental education alongside a full range of activities designed to provide both team and individual opportunities for development. By providing high standards in every aspect of our operation, we deliver exciting, adventurous, and memorable outdoor learning experiences in accordance with our centre of excellence approach.

All activities are informed by and run on Christian principles, where Christian values are promoted in every area of our daily work. We encourage all staff and volunteers to promote a Christian ethos, where care and respect is shown to everyone. Our aims fully reflect the purposes that the charity was set up to further.

Heathercombe Brake Trust

Trustees' Report

How our work is delivered

The work of Heathercombe Brake Trust is based at Heatree Activity Centre. It is open all year round and is located in the beautiful setting of Dartmoor National Park. There are four accommodation wings that can cater for over 150 guests as well as staff houses and several outbuildings. Accessibility for disabled guests is important to us and facilities including wet rooms are available. Residential programs form the largest part of our work, although day sessions are also available. Client groups include schools, youth clubs and groups, church groups and families.

Activities include:

Kayaking, raft building, climbing, abseiling, archery, fencing, stream scrambling, moorland walking, rock scrambling, high ropes and low ropes courses, mountain biking, wilderness venture, teambuilding and problem-solving challenges.

Environmental education includes:

Bronze Age roundhouse, Stone Age studies, eco challenge, earth walks, Haytor Victorian quarry, Houndtor Medieval village, river studies, rocky shore and sand dune studies, tourism and settlement impact studies.

The beneficiaries of the charity participating in the outdoor education activities and programmes provided are mainly primary and early secondary school pupils (Y4 to Y7, the schools are drawn mostly from the South West of England) during term time, and by church and youth groups on week ends and during the school holidays. The residential programme duration is usually either 5 days in the summer or 2-3 days in the low season months.

Heatree has hosted several camps, retreats, seminars, outreach events and training courses for youth organisations. It has designed specialist outdoor learning provision for a wide range of young people with mental and physical health needs in mainstream schools. The Trust has provided additional staffing and support to special schools at no additional cost.

All sessions are designed to form part of a comprehensive outdoor education programme, tailored to the requirements of clients and designed to enable inclusion of those with special needs, and where appropriate cover various relevant aspects of the National Curriculum.

Heathercombe Brake Trust

Trustees' Report

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Heatree has a number of strategies for providing public benefit through advancing education.

It provides specialised and structured outdoor education residentials for pupils from special educational needs schools. The Heatree team are experienced in providing inclusive activities for young people with additional physical and mental needs. Additional planning time and Heatree support staff are provided to enable the experience. The special educational needs provision is also extended to pupils within main-stream schools.

Heatree has continued to be severely affected by the outbreak of Covid-19 in England. The centre re-opened in mid-May but outdoor education restrictions remained more stringent than school restrictions so there could be no more than 30 pupils in a group and no group could mix with any other group on site, even when they were two halves of the same class. These restrictions were finally relaxed shortly before the end of the Summer term. Several schools which had been booked to stay at Heatree Activity Centre for a week, had to split their group into two parts and only stay for 2 nights each. This seriously impacted the quality of the experience Heatree was able to deliver and dramatically reduced the income earned during the peak season. During the year 1219 pupils visited Heatree Activity Centre for school residentials and a further 562 pupils attended for day visits. In total 213 members of staff and 1:1 helpers were given free places with these groups.

Covid - 19 restrictions have also had a big impact on the Church, youth groups and other groups booking the centre. The number of guests attending has started to increase again out of the Covid closure, however the numbers are well below pre Covid years. A small number of church, youth and other organisations have enjoyed spending time at Heatree in 2021. These included several church groups, University Christian Union groups, Cubs, a canoe club and a running club, also other young people's groups from across the South West and further afield. These groups brought a total of 692 people of all ages to Heatree, which included 20 free youth leader places and 17 free places for children aged 3 and under.

Only two of the regular summer youth groups were able to attend in 2021 due to the long lead-in time needed to arrange these summer camps and the continuing uncertainty around group accommodation which continued throughout the first half of 2021.

As well as residential visits, Heatree offers a wide range of day activities. During 2021 these were enjoyed by schools only.

Learning experiences in the outdoors promote physical and mental health and wellbeing, while building confidence, resilience, and self-respect. Individual skills, competencies and capabilities are developed alongside an understanding of teamwork, friendship and care and respect for others.

When considering its activities, the trustees have considered the Charity Commission's guidance on public benefit, in section 4 of the 2011 Charities Act and the guidance on public benefit and fee charging. The charity relies on the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the centre for those on low incomes. During 2021, trustees took the opportunity to review the existing "Access Busary Fund" to make it more accessible for a larger number of groups. This will now be called the "Quantick Fund" and is designed to support groups that are closely aligned with the memorandum and articles of the trust. It is hoped that The Quantick fund will start in 2022. The trustees will be moving towards a pricing-based model that supports groups that are aligned with the objectives of the trust, such as youth groups.

Heathercombe Brake Trust

Trustees' Report

Achievements and performance

Review of activities

Heatree has continued to demonstrate its popularity and impact by delivering high quality accessible outdoor education to a wide range of groups and organisations, which helps to inspire young people and develop life skills. School bookings accounted for over 72% of total bookings during the period of trade in 2021.

The trustees consider the health, well-being and safety of the staff and guests at Heatree Activity Centre to be of paramount importance and continued to be committed to strict adherence to up-to-date Government and public health guidance in relation to Covid-19 throughout 2021.

The trustees took the following action to safeguard the centre, its staff, users, and customer relationships:

- The Trust continued to use the furlough scheme where possible to retain staff, initially most members of staff were fully furloughed but increasingly the flexi-furlough system was used in order to prepare the centre for the returning visitors.
- Groups who could still not attend in 2021 were not charged and were given the option to have their paid deposits returned. Several of these groups have carried forwards their deposits to 2022.
- The trustees decided to prepare most of the small properties on the site for short term holiday lets to generate a further income. The first letting was secured in December 2020 and has continued steadily through 2021 as more properties became ready. In all over £48,000 extra income has been secured this way. Short term residential lets have generated a further £36,000 during 2021.
- The centre held reserves to subsidise the running of essential operations and to pay staff, for a limited time. A government backed bank loan was secured in August 2020 for £150,000 and a further loan of £100,000 was advanced in April 2021. These reserves are sufficient to carry the business through the 2021-22 winter period, after which point the business should slowly recover.
- As noted above, the trustees applied for a CBILS bank loan for £150,000 to safeguard the centre's finances in July 2020, this was received in August 2020. A further CBILS loan of £100,000 was applied for in April 2021 and received in the same month. Both loans were borrowed for a period of 6 years with no repayments for the first 12 months. Repayments for the first loan started in September 2021 and are due to start in May 2022 on the second loan.
- The trustees considered releasing some of the property assets owned by the Trust in order to replenish the reserves. The property called Brookside was put on the market in June 2021 and there is currently a 'Sale Agreed' on the property with a likely completion date of October 2022.

Camp Courageous

Heatree was unable to offer Camp Courageous events for children with Down's Syndrome or their families for over a year from March 2020. An event was run in November 2021 which was well attended and very popular.

There are plans for at least one event to be held for these families during 2022.

Heathercombe Brake Trust

Trustees' Report

Purchase of an all-terrain wheelchair

Jon Evans, who was the Centre Director until October 2020, successfully completed an off-road marathon on Dartmoor in November 2019 to raise funds for an all-terrain wheelchair for the charity. By the year end £3,069 had been donated by local supporters, businesses, and small trust funds. All money raised was carried forward and has been allocated to the all-terrain wheelchair. The new addition is designed for young people with limited mobility who are not able to safely explore Dartmoor National Park in a standard wheelchair. Jon wrote;

"They may not get to; reach the summit of a tor; take in the view and feel a sense of achievement rise by reaching one of Dartmoor's amazing high points. I believe every young person has the right to explore Dartmoor. This right of inclusion can be made a reality (for wheelchair users) with the assistance of an All-Terrain Mountain Trike. At Heatree Activity Centre we welcome inspiring young people (who use wheelchairs) and I know that they want real adventures. We would anticipate that over 12 young people a year would use the new mountain trike to explore Dartmoor alongside a professional Outdoor Educator."

By the end of 2021 sufficient funds had been raised to purchase this wheelchair and one was ordered in January 2022.

Fundraising Statement

There was no fundraising undertaken during 2021 but further donations were received towards the purchase of the all-terrain wheelchair and towards the living costs of the volunteers on site. Additional unrestricted donations were received towards general funds. A generous £10k donation was received to be included in the Quantick Fund.

The trustees of the centre take the following stance on fundraising.

The Trust does not currently make use of 3rd party fundraising companies or charities and has no plan to do so. All fundraising is undertaken by staff, trustees, or members of the Trust. The campaigns are focused on specific outcomes, such as the purchase of equipment that allows the trust to fulfill its charitable objects, such as the aforementioned wheelchair. The trustees also plan to hold fundraising campaigns to subsidise reduced-cost visits by Christian youth groups who are groups that are in-keeping with the M&As.

Fundraising will mainly be focused upon Christian Funders and grant funding from Trust Funds, also voluntary donations through a Stewardship account and the Friends of Heatree network. Those engaged in fundraising are required to ensure that those with whom they interact in this capacity are of sound mind and are not vulnerable, either by age or infirmity.

All fundraising is in-keeping with the Code of Fundraising Practice. Trustees scrutinize the fundraising procedures used by staff, members, and other trustees to ensure that it is in-keeping with this code of practice. Currently, the Trust has not received any complaints in relation to its fundraising practice.

Heatree staff development

The quality of education provided to clients is supported by employing and retaining well qualified and motivated staff who share the ethos of the charity. The majority of the permanent outdoor team at Heatree are qualified teachers. This commitment towards ensuring that staff have strong teaching and learning practices, ensures that Heatree will maintain its outstanding reputation for quality outdoor education.

Heathercombe Brake Trust

Trustees' Report

National Outdoor Learning Award (NOLA)

NOLA was developed at Heatree and in partnership with the Institute for Outdoor Learning (IOL) and was launched in January 2018. This award is now being used nationally and internationally by a wide variety of outdoor education users including schools, colleges, universities, sole traders and outdoor centres. NOLA is being used as framework to influence professional practice standards across the outdoor sector. NOLA is being seen by IOL as a strategic tool that could influence Government outdoor education policy.

Residential visits are an invaluable experience when it comes to developing personal skills and helping to prepare children for independent living. The children participating in these programmes learn much that they can carry with them as useful resources for their future lives. Outdoor education providers can access NOLA resources and order badges through a dedicated website.

Outdoor Activity Instructor Apprenticeship

Following Heatree involvement with the successful development of a Level 3 Outdoor Activity Apprenticeship, there is now a Level 5 Outdoor Learning Specialist Apprenticeship. This is available for apprenticeships starting after February 2022.

Schools Youth and Church groups

Working with young people whether on school residential visits, church or other youth groups continues to be the mainstay of the charity's activity. Making all the visits fun, challenging, exciting, enjoyable and part of an holistic experiential learning event is something that our staff enjoy, and they gain great satisfaction from imparting their own love of learning in such a unique environment.

To quote from one of our visiting groups:

'Your facilities, standards, quality of teaching are superb. We love the time you give for reflection, your focus on the Heatree values and how you adapt your activities for the children in each group. You make every child feel special and valued.'

"As always, everyone has loved our trip to Heatree. We always feel so welcome and as a returning school it is great to see familiar faces. The staff and environment here are second to none and we all feel completely re-energised for the year ahead. Thank you, this is the highlight of our year."

"Staff were excellent and considered the full range of abilities of the children and adapted activities to enable all to participate fully. They were keen to understand techniques which worked with individuals (from a school for children with special educational needs)."

"I have been to 10 residential in 12 years of teaching. My first time here and it is by far the best"

Changes in depreciation policy

During the year an impairment review was carried out by the trustees resulting in an impairment of £100k in respect of freehold buildings. From 1st January 2021, depreciation rates have also been changed to reflect the revised estimated useful economic lives of certain assets and this has resulted in an increase of £83k in current year's depreciation charge.

Heathercombe Brake Trust

Trustees' Report

Future plans

Through the closure enforced by the Covid-19 pandemic the Trust has taken the opportunity to review the work and vision of the Heatree Activity Centre and how it best meets its charitable aims and objectives.

The key points are listed below:

Heatree is now taking school bookings for full week (Mon-Fri) residentials only, throughout most of the year. Half week bookings will only be available in November, December, January and February. Youth, Church and other groups will continue over weekends and during school holidays.

To meet the aims of the Trust, staff and trustees will ensure that the Christian environment and ethos will be maintained and promoted to groups that use the centre.

We are working to keep the prices offered to our guests as competitive and affordable as possible. In particular, as a charity we are wishing to support those with EHCP and those from backgrounds where higher levels of deprivation could potentially affect access to such opportunities that we provide at Heatree. We have developed the bursary fund to enable children from disadvantaged backgrounds to come and enjoy the Heatree experience, where other funds are not available to make this possible. This fund is raised in two ways, 1.) A percentage of the funds from "Church" and "Other" groups and 2.) through fundraising.

We have continued to maintain, replace, and repair, our equipment and infrastructure during the year. The refurbishment of one building was completed in 2020 which now provides staff accommodation. Two more buildings were prepared for short term letting in 2021, one of these is also now used as staff accommodation, and one other building has been partially refurbished and is due to be completed in 2022. Staff living on site are providing a warden service for the visiting groups and as numbers of volunteers and trainee instructors increase again, these staff will add to the community feel of the centre.

The Fixed Asset Replacement Plan was completed in 2018. The trustees now need to develop the long-term strategic capital investment plan to support further enhancement to buildings, potentially allowing for improved facilities to support accessibility.

Heathercombe Brake Trust

Trustees' Report

Going concern

Following the interruption to the business due to the Covid-19 impact, the centre re-opened on 17th May 2021. Trustees have continued to assess the prospects of the charity over the next 18 months through budgets, cash flow forecasts and discussion with the current auditors.

The impact of the virus on the charity will have long term implications for the charity's operations. Future budgeting is all based on limiting numbers to two schools visiting in any one week. Future predictions now take into account the rapid rise in most overhead costs, particularly in catering, maintenance and energy.

The cash balance (excluding the sale of Brookside) at the end of August 2022 was predicted to be £233,000 which included outstanding loan capital of £210,000. (The actual balance at the end of August was £251,665).

Based on the cashflows and budgets prepared the trustees are of the opinion that the charity is a going concern, and the accounts have therefore been prepared on a going concern basis. The charity's budget for next year includes a rise in peak season school prices against a 5-8% pay rise for all staff. Even with the capital expenditure forecast of £67,300 for Jan-Feb 2023, at least half of which is not time sensitive, the bank balance is not expected to fall below £25k at the lowest point of February 2023. The trustees consider the budgets and forecasts to be fairly robust. At the end of June the management accounts showed a year to date surplus of £9k over that budgeted. The trustees anticipate that this will however drop to a small deficit by the end of the year following the cancellation of three bookings before December.

The Board of Trustees is confident that the charity is a "going concern". This has been discussed regularly at Board meetings and in regular meetings between Chairman and CEO. The financial uncertainty within the UK as a whole, makes forecasting very difficult, however bookings are looking viable for next year and despite scare stories in the media, the majority of schools still value outdoor education as a key component of a good education and are expected to continue to visit.

Heathercombe Brake Trust

Trustees' Report

Reserves policy

The trustees have examined the charity's requirement for reserves, which are unrestricted funds not committed or invested in tangible fixed assets, to provide the charity with a level of operational flexibility. The Board consider it appropriate to hold £120,000, representing a short period of operating costs, as a contingency reserve and given the seasonal nature of the charity's operations, a further £100,000 by way of a cash flow reserve. The trustees consider this to be an appropriate amount to provide the necessary working capital for the charity and to cover unforeseen events.

The total unrestricted reserves of the charity at 31 December 2021 were £1,227,775 (2020: £1,435,569), of which £1,269,915 (2020: £1,528,416) is the Fixed Asset Reserve and £15,317 (2020: £4,717) relates to the Quantick Fund. The total restricted reserves of the charity at 31 December 2021 were £6,649 (2020: £7,125) which relate to Camp Courageous (£3,580) and the all terrain wheelchair fund (£3,069). The unrestricted free reserves at the end of 2021 were -£57,457 (2020: £-97,564). The Board recognises the need for holding free reserves, especially in the current uncertain financial climate. It was recognised that this level of free reserves would not be met by turnover post-Covid, so the Board have decided to utilise some of the income from the sale of Brookside to replenish these.

After paying all costs and providing for working capital the Board's policy is to reinvest any surpluses, together with any donations received, into the further development of the centre, to provide increased and improved facilities for the benefit of the users, in line with charity objectives. The property called Brookside is on the market for sale. The sale is at 'Sale Agreed' stage for the sum of £500,000 and is due to complete in October 2022. This sale will provide sufficient funds to either repay all of the CBILS loans and return the reserves held by the Trust at the previous level of £220,000, or the trustees might decide not to pay back the CBILS loan and will use the funds to underwrite the repayments, cover the winter cash flow and wages and provide funds for any necessary capital expenditure in the future. There are currently no plans for major capital expenditure.

The current reserves policy has ensured that there were sufficient funds available for the charity to continue in operation throughout 2021. As mentioned above, the trustees secured a short-term bank loan of £150,000 under the Coronavirus Business Interruption Loan Scheme (CBILS) to cover the cash flow in 2021 and a further £100,000 CBILS loan was taken out in April 2021. Cash reserves at the end of 2021, including the loan, are £208,651. Bank loan capital repayments started in 2021 and a total of £10,000 had been repaid by the end of the year. Excluding the sale of Brookside, cash reserves were £252,000 at the end of August 2022, with bank loans outstanding of £210,000.

Financial review

The trustees regularly review income, profitability and liquidity, comparing with historical performance and forecasts. The financial management of the centre has focussed on optimising occupancy rates and managing expenditure in line with activity volumes where possible.

At the end of 2021, before the deduction of depreciation and impairment adjustments, funds of £51,908 (2020: - £328,020) were generated in the year. During the year as noted, an impairment review was undertaken, resulting in an additional charge to the Statement of Financial Activities of £100k, along with a revision to the estimated useful life of certain fixed assets, which resulted in an additional in year depreciation charge of £83k.

Heathercombe Brake Trust

Trustees' Report

Structure, governance and management

Constitution

Heathercombe Brake Trust is a charitable company limited by guarantee, trading as Heathree Activity Centre. It is governed by its Memorandum and Articles of Association, dated 8 March 2001 and amended by Special Resolution dated 1 August 2013. It is registered with the Charity Commission.

Appointment of Trustees

The trustees may from time to time, seek to appoint new trustees. When choosing and appointing new trustees, emphasis is placed on their experience in the wider community and their sharing of the Christian ethos. The number of trustees shall not be less than 3 or more than 9. Trustees are appointed for a term of 3 years and may renew that appointment for successive terms. James Murray was appointed as a Trustee in December 2021.

The process for reappointment of Jonathan Bishop as Chair was discussed and recorded in the minutes of a meeting held in March 2020. It was noted that in The Charity Commission recommendations to the HBT board, best practice is for 3 terms + 1 additional year. However, the Articles of Heathercombe Brake Trust, which were agreed to by the Charity Commission, do not have a limit. At the time of re-election, the charity was facing an extremely difficult time with huge uncertainty as this was right at the start of the Covid 19 pandemic and the board felt that, after reviewing the risks and benefits that it was in the best interests of the charity to ensure stability through this time and voted unanimously for a further term for Jonathan Bishop as Chairman.

All trustees may nominate potential new trustees to be considered for election. Once elected, new trustees will have a period of induction and training. This involves information sharing, visits to the centre and interviews with other trustees. Ongoing training includes cascaded information from journals, forums, updates from professional organisations and regular reviews of publications.

The Board of Trustees meets four times every year to administer the charity. During lockdown the Board met more regularly remotely.

The pay policy for staff is proposed by the Centre Manager, taking account of the centre and individual performance, affordability and market conditions, including legislative matters such as the statutory minimum and statutory living wage. The policy applies to all staff and is within a set banded pay structure. Two trustees will be responsible for appraisal and performance management of the Centre Manager and pay awards for this role will be benchmarked against the same role in similar organisations and agreed by the trustees. Trustees receive the proposals in the last Board meeting of each financial year and any pay awards are effective from 1st January the following year. Pay awards were made in 2022 but no uplifts were made in 2021.

Key management personnel

The key management personnel of the charity during the year consisted of the trustees and the Centre Manager.

Heathercombe Brake Trust

Trustees' Report

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The centre's policies which mitigate the inherent risks associated with the centre and its activities were reviewed during the year. The review drew on internal experience and external/professional advice to continue to ensure the centre meets both internal and external scrutiny with detailed attention paid to the relevant risk assessments. Procedures are in place for staff training, including at induction, covering all essential policies, including Safeguarding and Health and Safety.

Funds are allocated annually for ongoing asset maintenance and replacement, and plans are reviewed regularly to ensure facilities remain in good order and are appropriate for young people.

Appropriate commercial insurance cover is maintained annually to cover public and employer's liabilities and insuring buildings and facilities for replacement value.

The trustees are developing a new risk management framework to better enable a regular and systematic review of risks at every Board meeting.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on ~~18/10/22~~ and signed on its behalf by:



.....
Mr Jonathan Bishop (Chairman)
Trustee

Heathercombe Brake Trust

Statement of Trustees' Responsibilities

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

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

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

Approved by the trustees of the charity on 18/10/22 and signed on its behalf by:



.....
Mr Jonathan Bishop (Chairman)
Trustee

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

Opinion

We have audited the financial statements of Heathercombe Brake Trust (the 'charity') for the year ended 31 December 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 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 Companies Act 2006.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 13), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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:

As part of our audit planning, through discussions with management, we obtained an understanding of the legal and regulatory framework that is applicable to the group and the sector in which it operates to identify the key laws and regulations affecting the charity.

The key laws and regulations we identified were the General Data Protection Regulations (GDPR), compliance with the Adventure Activities Licensing Authority, Fundraising Regulations for Charities, health and safety and employment laws. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Companies Act 2006, the Charities Act, relevant tax compliance regulations in the UK and reporting framework (Charities SORP – FRS102).

We discussed with management how the compliance with these laws and regulations is monitored and we discussed the policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the charity's ability to continue trading and the risk of material misstatement in the accounts.

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance; and
- Reviewed board minutes.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

We also evaluated the risk of fraud through management override including that arising from management's incentives. The key risks we identified were fraud in revenue recognition and undisclosed related party transactions

In response to the identified risk, as part of our audit work we:

- Used data analytics to test journal entries throughout the year, for appropriateness
- Evaluated the rationale of significant transfers between restricted and unrestricted reserves
- Reviewed income supporting documentation for any restrictions and compared to how it had been recognised in the financial statements
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making those estimates
- Reviewed cashbooks, bank statements, debtors and creditors for potential related party transactions.

In the year, we identified an additional risk associated with fraudulent or erroneous CJRS (Coronavirus Job Retention Scheme) claims. In response to the identified risk, as part of our audit work, we obtained an understanding of how the claims were prepared and assessed the risk associated with this, obtained an understanding of how the terms and conditions of furlough were communicated to employees, reconciled claims back to cash received, and tested a sample of individuals by recalculating the amount of grant the charity were entitled to claim. No issues were identified.

Because of the inherent limitation 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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

- 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 on the effectiveness of the charity'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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to the events or conditions that may cast a significant doubt on the charity's ability to continue as a going concern. If we then conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the charity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Duncan Leslie (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

North Quay House
Sutton Harbour
Plymouth
Devon
PL4 0RA

Date: 19/10/2022

Heathercombe Brake Trust

Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
Income and Endowments from:				
Donations and legacies	2	85,530	-	85,530
Charitable activities	3	464,518	50	464,568
Other trading activities	4	1,026	-	1,026
Investment income	5	17	-	17
Total Income		<u>551,091</u>	<u>50</u>	<u>551,141</u>
Expenditure on:				
Charitable activities	6	<u>(758,885)</u>	<u>(526)</u>	<u>(759,411)</u>
Total Expenditure		<u>(758,885)</u>	<u>(526)</u>	<u>(759,411)</u>
Net expenditure		<u>(207,794)</u>	<u>(476)</u>	<u>(208,270)</u>
Net movement in funds		(207,794)	(476)	(208,270)
Reconciliation of funds				
Total funds brought forward		<u>1,435,569</u>	<u>7,125</u>	<u>1,442,694</u>
Total funds carried forward	19	<u>1,227,775</u>	<u>6,649</u>	<u>1,234,424</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	221,015	-	221,015
Charitable activities	3	196,093	70	196,163
Other trading activities	4	1,026	-	1,026
Investment income	5	213	-	213
Total income		<u>418,347</u>	<u>70</u>	<u>418,417</u>
Expenditure on:				
Charitable activities	6	<u>(833,336)</u>	<u>-</u>	<u>(833,336)</u>
Total expenditure		<u>(833,336)</u>	<u>-</u>	<u>(833,336)</u>
Net (expenditure)/income		<u>(414,989)</u>	<u>70</u>	<u>(414,919)</u>
Net movement in funds		(414,989)	70	(414,919)
Reconciliation of funds				
Total funds brought forward		<u>1,850,558</u>	<u>7,055</u>	<u>1,857,613</u>
Total funds carried forward	19	<u>1,435,569</u>	<u>7,125</u>	<u>1,442,694</u>

The notes on pages 24 to 37 form an integral part of these financial statements.

Heathercombe Brake Trust

Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

All of the Charity's activities derive from continuing operations during the above two periods.

Heathercombe Brake Trust

(Registration number: 04175683)
Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	1,269,915	1,528,416
Current assets			
Stocks	14	12,881	9,560
Debtors	15	38,370	21,955
Cash at bank and in hand		<u>208,651</u>	<u>125,106</u>
		259,902	156,621
Creditors: Amounts falling due within one year	16	<u>(99,134)</u>	<u>(102,343)</u>
Net current assets		<u>160,768</u>	<u>54,278</u>
Total assets less current liabilities		1,430,683	1,582,694
Creditors: Amounts falling due after more than one year	17	<u>(196,259)</u>	<u>(140,000)</u>
Net assets		<u>1,234,424</u>	<u>1,442,694</u>
Funds of the charity:			
Restricted income funds			
Restricted Funds		6,649	7,125
Unrestricted income funds			
Designated Funds		1,385,538	1,533,133
General Funds		<u>(157,763)</u>	<u>(97,564)</u>
Total unrestricted funds		<u>1,227,775</u>	<u>1,435,569</u>
Total funds	19	<u>1,234,424</u>	<u>1,442,694</u>

The financial statements on pages 20 to 37 were approved by the trustees, and authorised for issue on 18/11/21 and signed on their behalf by:


.....
Mr Jonathan Bishop (Chairman)
Trustee

Heathercombe Brake Trust

Statement of Cash Flows for the Year Ended 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net expenditure		(208,270)	(414,919)
Adjustments to cash flows from non-cash items			
Depreciation		159,872	86,899
Impairment charges		100,306	-
Investment income	5	<u>(17)</u>	<u>(213)</u>
		51,891	(328,233)
Working capital adjustments			
Increase in stocks	14	(3,321)	(1,337)
Increase in debtors	15	(16,415)	(14,085)
(Decrease)/increase in creditors	16	(113,208)	103,141
Increase/(decrease) in deferred income	17	<u>76,658</u>	<u>(118,592)</u>
Net cash flows from operating activities		<u>(4,395)</u>	<u>(359,106)</u>
Cash flows from investing activities			
Interest receivable and similar income	5	17	213
Purchase of tangible fixed assets	13	<u>(1,677)</u>	<u>(18,150)</u>
Net cash flows from investing activities		<u>(1,660)</u>	<u>(17,937)</u>
Cash flows from financing activities			
Value of new loans obtained during the period		100,000	150,000
Repayment of capital element of finance leases and HP contracts		<u>(10,400)</u>	<u>(5,094)</u>
Net cash flows from financing activities		<u>89,600</u>	<u>144,906</u>
Net increase/(decrease) in cash and cash equivalents		83,545	(232,137)
Cash and cash equivalents at 1 January		<u>125,106</u>	<u>357,243</u>
Cash and cash equivalents at 31 December		<u><u>208,651</u></u>	<u><u>125,106</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective January 2019) - (Charities SORP (FRS102)).

Basis of preparation

Heathercombe Brake 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 notes.

Going concern

Following the interruption to the business due to the Covid-19 impact, the centre re-opened on 17th May 2021. Trustees have continued to assess the prospects of the charity over the next 18 months through budgets, cash flow forecasts and discussion with the current auditors.

The impact of the virus on the charity will have long term implications for the charity's operations. Future budgeting is all based on limiting numbers to two schools visiting in any one week. Future predictions now take into account the rapid rise in most overhead costs, particularly in catering, maintenance and energy.

The cash balance (excluding the sale of Brookside) at the end of August 2022 is predicted to be £233,000 which includes outstanding loan capital of £210,000.

Based on the cashflows and budgets prepared the trustees are of the opinion that the charity is a going concern, and the accounts have therefore been prepared on a going concern basis. The charity's budget for next year includes a rise in peak season school prices against a 5-8% pay rise for all staff. Even with the capital expenditure forecast of £67,300 for Jan-Feb 2023, at least half of which is not time sensitive, the bank balance is not expected to fall below £25k at the lowest point of February 2023. The trustees consider the budgets and forecasts to be fairly robust. At the end of June the management accounts showed a year to date surplus of £9k over that budgeted. The trustees anticipate that this will however drop to a small deficit by the end of the year following the cancellation of three bookings before December.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity and based on the cashflows and budgets prepared the trustees are of the opinion that the charity is a going concern, and the accounts have therefore been prepared on a going concern basis.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

Income and endowments

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

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Charitable activities

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

Deferred income

Deferred income represents non-refundable deposits received for bookings in future periods. These are deferred and released into incoming resources in the period in which the activity takes place. In the event that the activity is cancelled and not rebooked the deposit is recognised immediately in incoming resources.

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.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised, items costing less are written off in the year of purchase.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property and major structural alterations	2% straight line
Building works included in freehold property	10% straight line
Plant and machinery	20% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	25% straight line

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving items.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Leasing 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 Charity. 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 incorporating income and expenditure account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating income and expenditure account on a straight line basis over the lease term.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Income from donations and legacies

	Unrestricted general funds £	Total funds £
Grants, including capital grants; Coronavirus Job Retention Scheme	74,930	74,930
Total for 2021	<u>74,930</u>	<u>74,930</u>
Total for 2020	<u>221,015</u>	<u>221,015</u>

3 Income from charitable activities

	Unrestricted general funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from charitable activities	464,518	50	464,568	196,163

4 Income from other trading activities

	Unrestricted general funds £	Total 2021 £	Total 2020 £
Property rental income	1,026	1,026	1,026
	<u>1,026</u>	<u>1,026</u>	<u>1,026</u>

5 Investment income

	Unrestricted general funds £	Total 2021 £	Total 2020 £
Interest receivable and similar income; Interest receivable on bank deposits	17	17	213

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

6 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2021 £	2020 £
Provisions, Housekeeping and activity	30,835	-	30,835	27,908
Catering and hospitality temporary staff costs	4,847	-	4,847	4,147
Miscellaneous staff costs	-	158	158	563
Stationery and advertising	-	1,222	1,222	2,852
Telephone	-	13,084	13,084	12,770
Motor and travel	-	2,998	2,998	4,494
Repairs, renewals and replacements	-	58,527	58,527	29,166
Bank charges and loan interest	-	1,368	1,368	296
Rates	-	5,568	5,568	28,562
Insurance	-	17,409	17,409	20,606
Heat and light	-	44,305	44,305	36,957
Interest on hire purchase contracts	-	-	-	1,058
Wages and salaries	-	300,279	300,279	537,762
Staff training	-	936	936	7,800
Pension cost	-	8,696	8,696	12,968
Depreciation	-	159,872	159,872	86,899
Impairment charges	-	100,306	100,306	-
Governance costs	-	9,001	9,001	18,528
	<u>35,682</u>	<u>723,729</u>	<u>759,411</u>	<u>833,336</u>

Included in the expenditure analysed above, there are governance costs of £9,001 (2020: £18,528) which relate directly to charitable activities. See note 7 for further details.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds £	Total 2021 £	Total 2020 £
Audit fees			
Audit of the financial statements	5,250	5,250	10,380
Other fees paid to auditors	2,880	2,880	7,774
Legal fees	871	871	374
	<u>9,001</u>	<u>9,001</u>	<u>18,528</u>

8 Net incoming resources

Net outgoing resources for the year include:

	2021 £	2020 £
Audit fees	5,250	10,380
Other non-audit services	2,880	7,774
Depreciation of fixed assets	159,872	86,899
Impairment charges	<u>100,306</u>	<u>-</u>

9 Trustees' remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year (2020: nil).

During the year 2 trustees (2020: 2 trustees) were reimbursed travel expenses of £404 (2020: £178) in connection with their role as a trustee.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	283,982	477,843
Social security costs	16,297	34,039
Pension costs	8,696	12,968
Redundancy costs	-	25,880
	<u>308,975</u>	<u>550,730</u>

The monthly average headcount of persons (including senior management team) employed by the Charity during the year was as follows:

	2021 No	2020 No
Management	1	2
Support	<u>20</u>	<u>28</u>
	<u>21</u>	<u>30</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity as noted in the Trustees' Report on page 8, were £36,375 (£4,026 of this consisted of pension and social security costs) (2020 - £83,104 with £10,391 consisting of pension and social security costs). During the year ended 31 December 2020 £9,146 was paid to key management personnel in respect of redundancies.

11 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>5,250</u>	<u>10,380</u>
Other fees to auditors		
All other non-audit services	<u>2,880</u>	<u>7,774</u>

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost					
At 1 January 2021	1,922,503	196,632	21,334	324,433	2,464,902
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,677</u>	<u>1,677</u>
At 31 December 2021	<u>1,922,503</u>	<u>196,632</u>	<u>21,334</u>	<u>326,110</u>	<u>2,466,579</u>
Depreciation					
At 1 January 2021	651,350	140,197	11,730	133,209	936,486
Impairment charges	100,306	-	-	-	100,306
Charge for the year	<u>127,079</u>	<u>19,390</u>	<u>2,176</u>	<u>11,227</u>	<u>159,872</u>
At 31 December 2021	<u>878,735</u>	<u>159,587</u>	<u>13,906</u>	<u>144,436</u>	<u>1,196,664</u>
Net book value					
At 31 December 2021	<u>1,043,768</u>	<u>37,045</u>	<u>7,428</u>	<u>181,674</u>	<u>1,269,915</u>
At 31 December 2020	<u>1,271,153</u>	<u>56,435</u>	<u>9,604</u>	<u>191,224</u>	<u>1,528,416</u>

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

Impairment

Buildings

During the year the trustees undertook a review of the estimated useful life of certain building works which had previously been depreciated in line with the charity's freehold buildings depreciation policy of 2% straight line. The assets reviewed were not considered to have an estimated useful life of 50 years and at the start of the year were impaired to their fair value by the trustees. Furthermore, the trustees have agreed to revise the depreciation rates on these assets to 10% straight line. The amount of impairment loss included in profit or loss is £100,306 (2020 - £Nil). The impairment loss is included in expenditure on charitable activities.

14 Stock

	2021 £	2020 £
Consumables and goods for resale	<u>12,881</u>	<u>9,560</u>

15 Debtors

	2021 £	2020 £
Trade debtors	26,870	1,158
Other debtors	<u>11,500</u>	<u>20,797</u>
	<u>38,370</u>	<u>21,955</u>

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	43,341	10,000
Trade creditors	121	2,016
Other taxation and social security	2,651	3,621
Other creditors	1,849	3,908
Accruals and deferred income	<u>51,172</u>	<u>82,798</u>
	<u>99,134</u>	<u>102,343</u>

17 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	<u>196,259</u>	<u>140,000</u>

Included in the creditors are the following amounts due after more than five years:

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

	2021 £	2020 £
After more than five years by instalments	<u>6,211</u>	<u>20,000</u>

Bank loans and overdrafts after five years

The bank loan balance consists of two Coronavirus Business Interruption Loans which have repayment terms of 6 years. For both loans no capital repayments are due for the first 12 months, the balances are then repayable over the remaining 5 years by monthly instalments. Interest is charged at 2.18% above bank base rate. These loans are unsecured.

18 Commitments

Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Commitments provided for in the accounts amounted to £2,651 (2020: £2,134).

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

19 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2021 £
Unrestricted funds					
<i>General</i>					
Free reserves	(97,564)	540,491	(498,707)	(1,677)	(57,457)
<i>Designated</i>					
Fixed asset reserve	1,528,416	-	(260,178)	1,677	1,269,915
Quantick fund	4,717	10,600	-	-	15,317
	<u>1,533,133</u>	<u>10,600</u>	<u>(260,178)</u>	<u>1,677</u>	<u>1,285,232</u>
Total unrestricted funds	<u>1,435,569</u>	<u>551,091</u>	<u>(758,885)</u>	<u>-</u>	<u>1,227,775</u>
Restricted funds					
Camp Courageous	4,106	-	(526)	-	3,580
Wheelchair fund	3,019	50	-	-	3,069
	<u>7,125</u>	<u>50</u>	<u>(526)</u>	<u>-</u>	<u>6,649</u>
Total restricted funds	<u>7,125</u>	<u>50</u>	<u>(526)</u>	<u>-</u>	<u>6,649</u>
Total funds	<u>1,442,694</u>	<u>551,141</u>	<u>(759,411)</u>	<u>-</u>	<u>1,234,424</u>

Quantick Fund

The Quantick fund (previously known as the Access fund) is a hardship/deprivation fund available to needy and deprived groups, with a focus on disadvantaged children in a Christian environment. During the year income of £10,600 was received and no payments were made, the balance of £15,317 will be carried forward for use in 2022.

Restricted funds

The charity established a legacy project on its 25th anniversary called Camp Courageous. In previous years the charity raised funds to provide free places at the camp at Heatree for families from South Devon with children suffering from Down's Syndrome. During the year £526 was spent and the balance of £3,580 is carried forward into 2022.

During the year the charity continued to raise money toward the purchase of a wheelchair with a further £50 being received, the balance of £3,069 at the year end is carried forward into 2022.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
Unrestricted funds					
General					
Free reserves	248,676	418,347	(746,437)	(18,150)	(97,564)
Designated					
Fixed asset reserve	1,597,165	-	(86,899)	18,150	1,528,416
Quantick fund	4,717	-	-	-	4,717
	<u>1,601,882</u>	<u>-</u>	<u>(86,899)</u>	<u>18,150</u>	<u>1,533,133</u>
Total unrestricted funds	<u>1,850,558</u>	<u>418,347</u>	<u>(833,336)</u>	<u>-</u>	<u>1,435,569</u>
Restricted					
Camp Courageous	4,106	-	-	-	4,106
Wheelchair fund	2,949	70	-	-	3,019
	<u>7,055</u>	<u>70</u>	<u>-</u>	<u>-</u>	<u>7,125</u>
Total restricted funds	<u>7,055</u>	<u>70</u>	<u>-</u>	<u>-</u>	<u>7,125</u>
Total funds	<u>1,857,613</u>	<u>418,417</u>	<u>(833,336)</u>	<u>-</u>	<u>1,442,694</u>

20 Analysis of net assets between funds

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	-	1,269,915	-	1,269,915
Current assets	237,936	15,317	6,649	259,902
Current liabilities	(95,793)	-	-	(95,793)
Creditors over 1 year	<u>(199,600)</u>	<u>-</u>	<u>-</u>	<u>(199,600)</u>
Total net assets	<u>(57,457)</u>	<u>1,285,232</u>	<u>6,649</u>	<u>1,234,424</u>

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

21 Analysis of net debt

	At 1 January 2021 £	Financing cash flows £	At 31 December 2021 £
Cash at bank and in hand	125,106	83,545	208,651
Debt due within one year	(10,000)	(30,000)	(40,000)
Debt due after more than one year	(140,000)	(59,600)	(199,600)
Loan repayments	-	(10,400)	(10,400)
Net debt	<u>(24,894)</u>	<u>(16,455)</u>	<u>(41,349)</u>

22 Related party transactions

Related party transactions

There were no donations received from trustees during 2021 (2020: Jonathan Bishop, Chair of trustees, donated £1,468 to the charity, this donation was unrestricted).

Jonathan Bishop and Matthew Pitts, trustees, are both directors of Cornerstone Academy Trust.

The charity made purchases of £96 (2020: £432) for IT services during the year from Clystnet, the Chair of Cornerstone Academy Trust, Henry Massey, owns this company.

Controlling party

The charity is under the control of the trustees and there is not considered to be an ultimate controlling party.

HEATHERCOMBE BRAKE TRUST

England & Wales - Charity number 1087001

Accounts

Company registration number: 04175683

Charity registration number: 1087001

Heathercombe Brake Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Heathercombe Brake Trust

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Heathercombe Brake Trust

Reference and Administrative Details

Trustees	Mr Jonathan Bishop (Chairman) Mr Matthew Pitts Mr Ian Rees Mr Adrian Webb
Senior Management Team	Mr Jon Evans, Centre Director - resigned October 2020 Mr Stephen McIlhenny, Centre Manager Dr Roger Hopper, Development Manager - resigned October 2020 Neither the Centre Director nor the Development Manager post have been refilled
Principal Office	Heatree House Manaton Newton Abbot Devon TQ13 9XE The charity was incorporated on 08/03/2001.
Company Registration Number	04175683
Charity Registration Number	1087001
Auditor	PKF Francis Clark North Quay House Sutton Harbour Plymouth Devon PL4 0RA

Heathercombe Brake Trust

Trustees' Report

The trustees (who are also the directors for the purposes of company law) of Heathercombe Brake Trust (the charity) present their annual report and financial statements for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 11 January 2019.

Trustees

Mr Jonathan Bishop (Chairman)

Mr James West (resigned 4 November 2020)

Mr Matthew Pitts

Mrs Clare Palmer (resigned 11 March 2020)

Mr Ian Rees (appointed 15 March 2020)

Mr Adrian Webb (appointed 21 March 2020)

Heathercombe Brake Trust

Trustees' Report

Objectives and aims

Objectives, strategies and activities

Our charity's purposes as set out in the objects contained in the charitable company's Memorandum of Association are:

- To advance the education and promote the physical, spiritual, and mental welfare and development of children and young people and their families (especially but not exclusively those who have a disability or who suffer from any spiritual or other deprivation by virtue of their social or economic circumstances) within a Christian environment and ethos.
- To advance and promote the above amongst adults, insofar as from time to time the charity's facilities and resources exceed the demand for them amongst children, young people, and their families.
- To provide, manage and improve one or more residential activity centres conducted on Christian principles and to assist in organising conferences and training courses for the advancement of such purposes.

Our aim is to provide young people with a unique residential experience that improves their lives. The aims of the charity are achieved at Heatree Activity Centre by providing a wide range of high quality outdoor education, utilising the natural environment of its Dartmoor location and incorporating environmental education alongside a full range of activities designed to provide both team and individual opportunities for development. By providing high standards in every aspect of our operation, we deliver exciting, adventurous and memorable outdoor learning experiences in accordance with our centre of excellence approach.

All activities are informed by and run on Christian principles, where Christian values are promoted in every area of our daily work. We encourage all staff and volunteers to promote a Christian ethos, where care and respect is shown to everyone. Our aims fully reflect the purposes that the charity was set up to further.

Heathercombe Brake Trust

Trustees' Report

How our work is delivered

The work of Heathercombe Brake Trust is based at Heatree Activity Centre. It is open all year round and is located in the beautiful setting of Dartmoor National Park. There are four accommodation wings that can cater for over 200 guests as well as staff houses and several outbuildings. Accessibility for disabled guests is important to us and facilities including wet rooms are available. Residential programs form the largest part of our work, although day sessions are also available. Client groups include schools, youth clubs and groups, church groups and families.

Activities include:

Kayaking, raft building, climbing, abseiling, archery, fencing, stream scrambling, moorland walking, rock scrambling, high ropes and low ropes courses, mountain biking, wilderness venture, teambuilding and problem-solving challenges.

Environmental education includes:

Bronze Age roundhouse, Stone Age studies, eco challenge, earth walks, Haytor Victorian quarry, Houndtor Medieval village, river studies, rocky shore and sand dune studies, tourism and settlement impact studies.

The beneficiaries of the charity participating in the outdoor education activities and programmes provided are mainly primary and early secondary school pupils (Y4 to Y7, the schools are drawn mostly from the South West of England) during term time, and by church and youth groups on week ends and during the school holidays. The residential programme duration is usually either 5 days or 2-3 days.

Heatree has hosted several camps, retreats, seminars, outreach events and training courses for youth organisations. It has designed specialist outdoor learning provision for a wide range of young people with mental and physical health needs, including provision of several residential courses for special schools as well as for young people in mainstream schools. The Trust has provided additional staffing and support to special schools at no additional cost.

All sessions are designed to form part of a comprehensive outdoor education programme, tailored to the requirements of clients and designed to enable inclusion of those with special needs, and where appropriate cover various relevant aspects of the National Curriculum.

Heathercombe Brake Trust

Trustees' Report

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Heatree has a number of strategies for providing public benefit through advancing education.

It provides specialised and structured outdoor education residentials for pupils from special educational needs schools. The Heatree team are experienced in providing inclusive activities for young people with additional physical and mental needs. Additional planning time and Heatree support staff are provided to enable the experience. The special educational needs provision is also extended to pupils within main-stream schools.

Heatree has been severely affected by the outbreak of Covid-19 in England. The centre opened as usual in January providing Outdoor Education residentials for primary schools and secondary schools, mainly from the South West region, and has also been able to provide activities and residentials for further education colleges and higher education students.

This year Heatree has also been home to the World Challenge expeditions training weekends. This is the first step for young explorers to camp and practice navigation on Dartmoor before heading overseas for their World Challenge adventures.

A number of youth organisations have enjoyed spending time at Heatree. These included Devon Youth Wind Orchestra, Mid Devon Cubs, a canoe club and other young people's groups from across the South West and further afield.

As well as residential visits, Heatree offers a wide range of day activities. During 2020 these were enjoyed by schools only.

Learning experiences in the outdoors promote physical and mental health and wellbeing, while building confidence, resilience and self-respect. Individual skills, competencies and capabilities are developed alongside an understanding of teamwork, friendship and care and respect for others.

When considering its activities, the trustees have considered the Charity Commission's guidance on public benefit, in section 4 of the 2011 Charities Act and the guidance on public benefit and fee charging. The charity relies on the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the centre for those on low incomes. During 2020, trustees held an access fund in reserve to support groups that were aligned with the memorandum and articles of the Trust. However, the centre had only been open for a few weeks before Covid-19 restrictions were imposed so there were no opportunities for the fund to be accessed. The trustees will be moving towards a pricing-based model that supports groups that are aligned with the objectives of the Trust, such as youth groups.

Heathercombe Brake Trust

Trustees' Report

Achievements and performance

Review of activities

Heatree has continued to demonstrate its popularity and impact by delivering high quality accessible outdoor education to a wide range of groups and organisations, which helps to inspire young people and develop life skills. School bookings accounted for over 63% of total bookings during the brief period of trade at the beginning of 2020.

Following the interruption to the business due to the Covid-19 impact, the centre was shut on 23rd March 2020. Trustees assessed the prospects of the charity over the next 18 months through budgets, cash flow forecasts and discussion with the current Auditors. The business has a low season between November and February, so assessment was made beyond that period when considering the future of the charity.

It was anticipated that with the actions already taken by the trustees, the charity's cash reserves would last until the end of June 2021 if no other income was secured.

The impact of the virus on the charity will have long term implications for the charity's operations, with new control measures likely to be introduced which may inhibit the range of activities offered to guests. These control measures may also affect the number of guests on site at any one time.

It is also likely there will be a financial or health impact for many of the individuals within the schools and other groups visiting Heatree Activity Centre, which may lead to reduced group sizes.

The trustees consider the health, well-being and safety of the staff and guests at Heatree Activity Centre to be of paramount importance and are committed to strict adherence to up-to-date Government and public health guidance in relation to Covid-19.

Heathercombe Brake Trust

Trustees' Report

The trustees took the following action to safeguard the centre, its staff, users, and customer relationships:

- The centre closed on the 23rd March 2020. Staff were furloughed from this point
- The Trust initially topped up the 80% government jobs retention scheme to 100%. This was then reduced to 80% in June to conserve funds.
- Groups who would have attended between 23rd March and the end the calendar year were not charged and were given the option to have their paid deposits returned. Where at all possible groups have been re-booked for Summer and Autumn 2021, some have carried forwards their deposits to 2022.
- The centre explored the viability of modified programmes of activity, with suitable social distancing and hygiene precautions for when the centre re-opened. The centre prepared cash flow models based on Covid safe attendance between November 2020 and July 2021 but due to the style of multi-bedded accommodation provided, the centre was not able to re-open for residential visits until 17th May 2021 and then only for groups of not more than 30 in each wing. The trustees decided to prepare most of the small properties on the site for short term lets to generate a further income. The first letting was secured in December 2020 and have continued steadily through 2021 as more properties became ready. In all, over £45,000 extra income has been secured this way. No summer Church groups were able to visit in 2020.
- The trustees explored various financial models to allow the operation of the centre to continue in a more limited capacity that is still financially viable, yet compliant with government guidelines around Covid-19.
- The centre held reserves to subsidise the running of essential operations and to pay staff, for a limited time. A government backed bank loan was secured in August 2020 for £150,000 and a further loan of £100,000 was advanced in April 2021. These reserves are sufficient to carry the business through the 2021-22 winter period, after which point the business should slowly recover.
- As noted above the trustees applied for a CBILS bank loan for £150,000 to safeguard the Centre's finances in July 2020, this was received in August 2020. The loan was borrowed for a period of 6 years with no repayments for the first 12 months. A further CBILS loan of £100,000 was applied for in April 2021 and received in the same month. The loan was also borrowed for a period of 6 years with no repayments for the first 12 months.
- The trustees considered closing the centre completely until September 2021, making all but 2 part-time staff redundant. Staff were notified of this proposal on 17th August 2020 and were given the Business Case to support the proposal and two sets of cash flows, one with redundancies and mothballing the centre and one without any changes. The cash flow with no redundancies showed that the centre would run out of cash in March 2021. A period of consultation was entered into on 1st September 2020 and concluded on 1st October 2020. The outcome of the consultation was that 12 members of staff took voluntary redundancy, two members of staff on short term contracts did not have their contracts extended and 18 members of staff were retained. These staff mostly remained on furlough until April 2021 when preparations were underway ready to re-open the centre as soon as the restrictions were relaxed. Where possible, during 2021, staff have been re-furloughed when bookings were low. The overall cost of wages and salaries during 2020 was £538K. This included £81k in October as the direct costs included in the staff redundancy payments, compromising pay in lieu of notice, accrued holiday and unused holiday pay and redundancy payments. Income received under the government furlough scheme covered £221k of the remaining balance.

Heathercombe Brake Trust

Trustees' Report

- The trustees considered releasing some of the property assets owned by the Trust in order to replenish the reserves. The property called Brookside was put on the market in June 2021 and there is currently a 'Sale Agreed' on the property .

Camp Courageous

Heatree has been unable to offer Camp Courageous events for children with Down's Syndrome or their families since March 2020.

There are plans for at least one event to be held for these families during the Autumn or Winter of 2021.

Purchase of an all-terrain wheelchair

Jon Evans, who was the Centre Director until October 2020, successfully completed an off-road marathon on Dartmoor in November 2019 to raise funds for an all-terrain wheelchair for the charity. By the year end £3,019 had been donated by local supporters, businesses, and small trust funds. All money raised was carried forward and has been allocated to the all-terrain wheelchair. The new addition is designed for young people with limited mobility who are not able to safely explore Dartmoor National Park in a standard wheelchair. Jon wrote;

"They may not get to; reach the summit of a tor; take in the view and feel a sense of achievement rise by reaching one of Dartmoor's amazing high points. I believe every young person has the right to explore Dartmoor. This right of inclusion can be made a reality (for wheelchair users) with the assistance of an All-Terrain Mountain Trike. At Heatree Activity Centre we welcome inspiring young people (who use wheelchairs) and I know that they want real adventures. We would anticipate that over 12 young people a year would use the new mountain trike to explore Dartmoor alongside a professional Outdoor Educator."

Fundraising Statement

There was no fundraising undertaken during 2020 but further donations were received towards the purchase of the all-terrain wheelchair and towards the living costs of the volunteers on site. Additional unrestricted donations were received towards general funds.

The trustees of the centre take the following stance on fundraising.

The charity does not currently make use of 3rd party fundraising companies or charities and has no plan to do so. All fundraising is undertaken by staff, trustees, or members of the charity. The campaigns are focused on specific outcomes, such as the purchase of equipment that allows the charity to fulfill its charitable objects, such as the aforementioned wheelchair, which supports provision for the physically impaired users of the centre. The trustees also plan to hold fundraising campaigns to subsidise reduced-cost visits by Christian youth groups who are a group that is in-keeping with the M&As.

Fundraising will mainly be focused upon interested groups, such as local churches (though not exclusively). This will usually take the form of a pre-agreed presentation to the interested organisation or person. Those engaged in fundraising are required to ensure that those with whom they interact in this capacity are of sound mind and are not vulnerable, either by age or infirmity.

All fundraising is in-keeping with the Code of Fundraising Practice. Trustees scrutinize the fundraising procedures used by staff, members, and other trustees to ensure that it is in-keeping with this code of practice. Currently, the charity has not received any complaints in relation to its fundraising practice.

Heathercombe Brake Trust

Trustees' Report

Heatree staff development

The quality of education provided to clients is supported by employing and retaining well qualified and motivated staff who share the ethos of the charity. The majority of the permanent outdoor team at Heatree have completed their initial teacher training. Some are now qualified teachers, while the remainder are working towards this status. This commitment towards ensuring that staff have strong teaching and learning practices, ensures that Heatree will maintain its outstanding reputation for quality outdoor education.

South Devon College Training Partnership degree training programme

In 2016, Heatree commenced a partnership with the University Centre of South Devon College, establishing a unique degree training programme. During the fourth year of the program, Heatree had five volunteer students who are studying for this degree in adventure leadership.

Students at Heatree are given a unique opportunity to advance their careers. They study, lead and train simultaneously; this approach is both challenging and rewarding. We aim for our graduates to leave as triple professionals. Firstly, with essential vocational experience in leading a wide variety of groups, supporting the Heatree outdoor learning programmes. Secondly, with degree level academic honours grounded in high levels of sector skills, knowledge and understanding. Thirdly, with nationally recognised adventure leadership qualifications, being the key to open the doors to the outdoor classroom.

A number of the Heatree staff lectured on the degree programme.

The partnership ended in October 2020 once Dr Roger Hopper ceased to work at the centre.

National Outdoor Learning Award (NOLA)

NOLA was developed at Heatree and in partnership with the Institute for Outdoor Learning (IOL) and was launched in January 2018. This award is now being used nationally and internationally by a wide variety of outdoor education users including schools, colleges, universities, sole traders and outdoor centres. NOLA is being used as framework to influence professional practice standards across the outdoor sector. NOLA is being seen by IOL as a strategic tool that could influence Government outdoor education policy.

Residential visits are an invaluable experience when it comes to developing personal skills and helping to prepare children for independent living. The children participating in these programmes learn much that they can carry with them as useful resources for their future lives. Heatree, through its Development Manager, Dr Roger Hopper, has been developing the National Outdoor Learning Award and in December 2017, the Institute for Outdoor Learning (IOL) formally endorsed and launched this award nationally on their website. Outdoor education providers can access NOLA resources and order badges through a dedicated website.

Outdoor Activity Instructor Apprenticeship

Following Heatree's involvement with the successful development of a Level 3 Outdoor Activity Apprenticeship, Dr Roger Hopper was invited to be a member of the working group to help develop the proposed Level 5 Outdoor Learning Specialist Apprenticeship. This proposed Apprenticeship has had initial Government approval and is expected to be launched in the Autumn 2020. Covid-19 delayed the development of this programme but it is still expected to be offered by 2022.

Heathercombe Brake Trust

Trustees' Report

Schools Youth and Church groups

Working with young people whether on school residential visits, church or other youth groups continues to be the mainstay of the charity's activity. Making all the visits fun, challenging, exciting, enjoyable and part of an holistic experiential learning event is something that our staff enjoy, and they gain great satisfaction from imparting their own love of learning in such a unique environment.

To quote from one of our visiting groups:

'Your facilities, standards, quality of teaching are superb. We love the time you give for reflection, your focus on the Heatree values and how you adapt your activities for the children in each group. You make every child feel special and valued.'

"As always, everyone has loved our trip to Heatree. We always feel so welcome and as a returning school it is great to see familiar faces. The staff and environment here are second to none and we all feel completely re-energised for the year ahead. Thank you, this is the highlight of our year."

"Staff were excellent and considered the full range of abilities of the children and adapted activities to enable all to participate fully. They were keen to understand techniques which worked with individuals (from a school for children with special educational needs)."

"This was our first time here with Year 6 and it has been great! The activities were well prepared, and the children gained a lot from them. I really liked how they were linked to values which were discussed at the end of every session."

Heathercombe Brake Trust

Trustees' Report

Future plans

Through the closure enforced by the Covid-19 pandemic the Trust has taken the opportunity to review the work and vision of the Heatree Activity Centre and how it best meets its charitable aims and objectives.

The key points are listed below:

Heatree will be taking school bookings for full week (Mon-Fri) residentials only, throughout most of the year. Half week bookings will only be available in November, December, January and February. Youth, Church and other groups will continue over weekends and during school holidays.

To meet the aims of the Trust, staff and trustees will ensure that the Christian environment and ethos will be maintained and promoted to groups that use the centre.

We are working to keep the prices offered to our guests as competitive and affordable as possible. In particular, as a charity we are wishing to support those with EHCP and those from backgrounds where higher levels of deprivation could potentially affect access to such opportunities that we provide at Heatree. We are developing the bursary fund to enable children from disadvantaged backgrounds to come and enjoy the Heatree experience, where other funds are not available to make this possible. This fund will be raised in two ways, 1.) A percentage of the funds from "Church" and "Other" groups and 2.) through fundraising.

Due to the massive and sustained impact of the Covid-19 pandemic we have had to make several changes to the staff team and structure at Heatree. We therefore intend to reduce the number of schools and the number of pupils able to stay residentially at any one time. In most cases we will only be hosting a maximum of two schools in any one week of the school term. Weekends and school holidays will continue to utilise as much inventory as possible.

We have continued to maintain, replace, and repair, our equipment and infrastructure during the year. The refurbishment of one building was completed in 2020 which now provides short-term letting accommodation. Two more buildings were prepared for short term letting in 2021 and one other building has been partially refurbished.

The Fixed Asset Replacement Plan was completed in 2018. The trustees now need to develop the long-term strategic capital investment plan to support further enhancement to buildings, potentially allowing for increased occupancy and improved facilities to support accessibility.

Heathercombe Brake Trust

Trustees' Report

Going concern

Following the interruption to the business due to the Covid-19 impact, the centre was shut on 23rd March 2020. trustees have assessed the prospects of the charity over the next 18 months through budgets, cash flow forecasts and discussion with the current Auditors. The business has a low season between November and February, so assessment was made beyond that period when considering the future of the charity.

The impact of the virus on the charity will have long term implications for the charity's operations. Future budgeting is all based on limiting numbers to two schools visiting in any one week. Budget figures for the twelve months from September 2021 to the end of August 2022 show a surplus of £86,000 before depreciation and a surplus of £12,000 after deducting depreciation. This is based on existing bookings to date, with a cap of around 90 pupils each week. These figures are then discounted by 20% for the remainder of 2021 and 10% for 2022. Church, youth and other groups have been budgeted on existing bookings for the remainder of 2021, all discounted by 40% to allow for drop offs. In 2022 they are based on regular bookings only, discounted by 10%. All overheads are predicted to continue as previously, with cost of living increases, direct expenditure is based on the smaller group sizes.

The cash balance (excluding the sale of Brookside) at the end of August 2022 is predicted to be £215,000 which includes outstanding loan capital of £210,000.

Based on the cashflows and budgets prepared the trustees are of the opinion that the charity is a going concern, and the accounts have therefore been prepared on a going concern basis,

Heathercombe Brake Trust

Trustees' Report

Reserves policy

The trustees have examined the charity's requirement for reserves, which are unrestricted funds not committed or invested in tangible fixed assets, to provide the charity with a level of operational flexibility. The Board consider it appropriate to hold £120,000, representing a short period of operating costs, as a contingency reserve and given the seasonal nature of the charity's operations, a further £100,000 by way of a cash flow reserve. The trustees consider this to be an appropriate amount to provide the necessary working capital for the charity and to cover unforeseen events.

The total unrestricted reserves of the charity at 31 December 2020 were £1,435,569 (2019: £1,850,558), of which £1,528,416 (2019: £1,597,165) is the Fixed Asset Reserve and £4,717 (2019: £4,717) relates to the Access Fund. The total restricted reserves of the charity at 31 December 2020 were £7,125 (2019: £7,055) which relate to Camp Courageous and the wheelchair fund. The unrestricted free reserves at the end of 2020 were (£97,564) (2019: £248,676).

After paying all costs and providing for working capital the Board's policy is to reinvest any surpluses, together with any donations received, into the further development of the centre, to provide increased and improved facilities for the benefit of the users, in line with charity objectives. The property called Brookside is on the market for sale. The sale is at 'Sale Agreed' stage for the sum of £455,000. This sale will provide sufficient funds to either repay all of the CBILS loans and provide reserves to cover three months of winter cashflow expenditure of £65,000 and three months of salaries at £85,000, or the trustees might decide not to pay back the CBILS loan and will use the funds to underwrite the repayments, cover the winter cash flow and wages and provide funds for any necessary capital expenditure in 2022. There are currently no plans for capital expenditure.

The current reserves policy has ensured that there were sufficient funds available for the charity to continue in operation throughout 2020. As mentioned above, the trustees secured a short-term bank loan of £150,000 under the Coronavirus Business Interruption Loan Scheme (CBILS) to cover the cash flow in 2021 and a further £100,000 CBILS loan was taken out in April 2021. Reserves will start to be re-built after that period. Cash reserves at the end of 2020, including loan funds are £125,106. Excluding the sale of Brookside, cash reserves are predicted to be £215,000 at the end of August 2022, with bank loans outstanding of £210,000.

Financial review

The trustees regularly review income, profitability and liquidity, comparing with historical performance and forecasts. The financial management of the centre has focussed on optimising occupancy rates and managing expenditure in line with activity volumes where possible. During the year ended 31 December 2020, before the deduction of depreciation, net expenditure was £328,090 (2019 : net income of £97,196).

Heathercombe Brake Trust

Trustees' Report

Structure, governance and management

Constitution

Heathercombe Brake Trust is a charitable company limited by guarantee, trading as Heathree Activity Centre. It is governed by its Memorandum and Articles of Association, dated 8 March 2001 and amended by Special Resolution dated 1 August 2013. It is registered with the Charity Commission.

Appointment of Trustees

The trustees may from time to time, seek to appoint new trustees. When choosing and appointing new trustees, emphasis is placed on their experience in the wider community and their sharing of the Christian ethos. The number of trustees shall not be less than 3 or more than 9. Trustees are appointed for a term of 3 years and may renew that appointment for successive terms.

All trustees may nominate potential new trustees to be considered for election. Once elected, new trustees will have a period of induction and training. This involves information sharing, visits to the centre and interviews with other trustees. Ongoing training includes cascaded information from journals, forums, updates from professional organisations and regular reviews of publications.

The Board of Trustees meets four times every year to administer the charity. The Centre Director and Centre Manager who are appointed by the trustees to manage all operational activities of the charity, and oversee staff teams who manage the day to day work of the centre, also attend the Board meetings. The Centre Director left in October 2020, and has not been replaced.

The pay policy for staff is proposed by the Centre Manager, taking account of the centre and individual performance, affordability and market conditions, including legislative matters such as the statutory minimum wage. The policy applies to all staff, including the two senior post holders and is within a set branded pay structure. Two trustees will be responsible for appraisal and performance management of the Centre Manager and pay awards for this role will be benchmarked against the same role in similar organisations and agreed by the trustees. Trustees receive the proposals in the last Board meeting of each financial year and any pay awards are effective from 1st January the following year. Pay awards were made in 2020 but no uplifts have been made in 2021.

Key management personnel

The key management personnel of the charity during the year consisted of the trustees, the Centre Director, and the Centre Manager. The Centre Director left in October 2020 and his post has not been reappointed, the Centre Manager is now running the centre.

Heathercombe Brake Trust

Trustees' Report

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The centre's policies which mitigate the inherent risks associated with the centre and its activities were reviewed during the year. The review drew on internal experience and external/professional advice to continue to ensure the centre meets both internal and external scrutiny with detailed attention paid to the relevant risk assessments. Procedures are in place for staff training, including at induction, covering all essential policies, including Safeguarding and Health and Safety.

Funds are allocated annually for ongoing asset maintenance and replacement, and plans are reviewed regularly to ensure facilities remain in good order and are appropriate for young people.

Appropriate commercial insurance cover is maintained annually to cover public and employer's liabilities and insuring buildings and facilities for replacement value.

The trustees are developing a new risk management framework to better enable a regular and systematic review of risks at every Board meeting.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Post Balance Sheet Events

The Centre re-opened for residential school groups on 17th May 2021. Restrictions remained in place which reduced the maximum number of people in any one school group to circa 30.

Non-school residential groups were allowed after 19th July 2021 but this was too late for the majority of the summer groups which visit Heatree to make the necessary plans and preparations so only two of our regular groups were able to run their Youth camps.

Heatree has continued to keep most staff on flexi-furlough throughout 2021 and will continue to do so until the scheme finishes at the end of September 2021.

The annual report was approved by the trustees of the charity on ~~21/10/2021~~ and signed on its behalf by:



.....
Mr Jonathan Bishop (Chairman)
Trustee

Heathercombe Brake Trust

Statement of Trustees' Responsibilities

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

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

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

Approved by the trustees of the charity on ~~21/10/2021~~ and signed on its behalf by:



.....
Mr Jonathan Bishop (Chairman)
Trustee

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

Opinion

We have audited the financial statements of Heathercombe Brake Trust (the 'charity') for the year ended 31 December 2020, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 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 Companies Act 2006.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 16), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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:

As part of our audit planning, through discussions with management, we obtained an understanding of the legal and regulatory framework that is applicable to the group and the sector in which it operates to identify the key laws and regulations affecting the charity.

The key laws and regulations we identified were the General Data Protection Regulations (GDPR), compliance with the Adventure Activities Licensing Authority, Fundraising Regulations for Charities, health and safety and employment laws. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Companies Act 2006, the Charities Act, relevant tax compliance regulations in the UK and reporting framework (Charities SORP – FRS102).

We discussed with management how the compliance with these laws and regulations is monitored and we discussed the policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the charity's ability to continue trading and the risk of material misstatement in the accounts.

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance; and
- Reviewed board minutes.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

We also evaluated the risk of fraud through management override including that arising from management's incentives. The key risks we identified were fraud in revenue recognition and undisclosed related party transactions

In response to the identified risk, as part of our audit work we:

- Used data analytics to test journal entries throughout the year, for appropriateness
- Evaluated the rationale of significant transfers between restricted and unrestricted reserves
- Reviewed income supporting documentation for any restrictions and compared to how it had been recognised in the financial statements
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making those estimates
- Reviewed cashbooks, bank statements, debtors and creditors for potential related party transactions.

In the year, we identified an additional risk associated with fraudulent or erroneous CJRS (Coronavirus Job Retention Scheme) claims. In response to the identified risk, as part of our audit work, we obtained an understanding of how the claims were prepared and assessed the risk associated with this, obtained an understanding of how the terms and conditions of furlough were communicated to employees, reconciled claims back to cash received, and tested a sample of individuals by recalculating the amount of grant the charity were entitled to claim. No issues were identified.

Because of the inherent limitation 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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

- 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 on the effectiveness of the charity'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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to the events or conditions that may cast a significant doubt on the charity's ability to continue as a going concern. If we then conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the charity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.

Heathercombe Brake Trust

Independent Auditor's Report to the Members of Heathercombe Brake Trust

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Duncan Leslie (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

North Quay House
Sutton Harbour
Plymouth
Devon
PL4 0RA

Date: 22/10/2021

Heathercombe Brake Trust

Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	221,015	-	221,015
Charitable activities	3	196,093	70	196,163
Other trading activities	4	1,026	-	1,026
Investment income	5	213	-	213
Total Income		<u>418,347</u>	<u>70</u>	<u>418,417</u>
Expenditure on:				
Charitable activities	6	<u>(833,336)</u>	-	<u>(833,336)</u>
Total Expenditure		<u>(833,336)</u>	-	<u>(833,336)</u>
Net (expenditure)/income		<u>(414,989)</u>	<u>70</u>	<u>(414,919)</u>
Net movement in funds		(414,989)	70	(414,919)
Reconciliation of funds				
Total funds brought forward		<u>1,850,558</u>	<u>7,055</u>	<u>1,857,613</u>
Total funds carried forward	19	<u>1,435,569</u>	<u>7,125</u>	<u>1,442,694</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Charitable activities	3	963,881	13,324	977,205
Other trading activities	4	776	-	776
Investment income	5	566	-	566
Total income		<u>965,223</u>	<u>13,324</u>	<u>978,547</u>
Expenditure on:				
Charitable activities	6	<u>(952,493)</u>	<u>(7,269)</u>	<u>(959,762)</u>
Total expenditure		<u>(952,493)</u>	<u>(7,269)</u>	<u>(959,762)</u>
Net income		<u>12,730</u>	<u>6,055</u>	<u>18,785</u>
Net movement in funds		12,730	6,055	18,785
Reconciliation of funds				
Total funds brought forward		<u>1,837,828</u>	<u>1,000</u>	<u>1,838,828</u>
Total funds carried forward	19	<u>1,850,558</u>	<u>7,055</u>	<u>1,857,613</u>

All of the Charity's activities derive from continuing operations during the above two periods.

The notes on pages 26 to 38 form an integral part of these financial statements.

Heathercombe Brake Trust

(Registration number: 04175683)

Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	1,528,416	1,597,165
Current assets			
Stocks	14	9,560	8,223
Debtors	15	21,955	7,870
Cash at bank and in hand		<u>125,106</u>	<u>357,243</u>
		156,621	373,336
Creditors: Amounts falling due within one year	16	<u>(102,343)</u>	<u>(112,888)</u>
Net current assets		<u>54,278</u>	<u>260,448</u>
Total assets less current liabilities		1,582,694	1,857,613
Creditors: Amounts falling due after more than one year	17	<u>(140,000)</u>	<u>-</u>
Net assets		<u>1,442,694</u>	<u>1,857,613</u>
Funds of the charity:			
Restricted income funds			
Restricted Funds		7,125	7,055
Unrestricted income funds			
Designated Funds		1,533,133	1,601,882
General Funds		<u>(97,564)</u>	<u>248,676</u>
Total unrestricted funds		<u>1,435,569</u>	<u>1,850,558</u>
Total funds	19	<u>1,442,694</u>	<u>1,857,613</u>

The financial statements on pages 23 to 38 were approved by the trustees, and authorised for issue on 21/10/2021 and signed on their behalf by:



.....
Mr Jonathan Bishop (Chairman)
Trustee

The notes on pages 26 to 38 form an integral part of these financial statements.

Heathercombe Brake Trust

Statement of Cash Flows for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net (expenditure)/income		(414,919)	18,785
Adjustments to cash flows from non-cash items			
Depreciation		86,899	78,411
Investment income	5	(213)	(566)
Interest payable		-	5,807
Loss on disposal of tangible fixed assets		-	2,411
		<u>(328,233)</u>	<u>104,848</u>
Working capital adjustments			
(Increase)/decrease in stocks	14	(1,337)	872
(Increase)/decrease in debtors	15	(14,085)	26,252
Increase/(decrease) in creditors	16	103,141	(16,598)
(Decrease)/increase in deferred income	17	<u>(118,592)</u>	<u>34,250</u>
Net cash flows from operating activities		<u>(359,106)</u>	<u>149,624</u>
Cash flows from investing activities			
Interest receivable and similar income	5	213	566
Purchase of tangible fixed assets	13	<u>(18,150)</u>	<u>(76,893)</u>
Net cash flows from investing activities		<u>(17,937)</u>	<u>(76,327)</u>
Cash flows from financing activities			
Interest payable and similar charges		-	(5,807)
New loans	16	150,000	-
Repayment of capital element of finance leases and HP contracts		<u>(5,094)</u>	<u>(30,561)</u>
Net cash flows from financing activities		<u>144,906</u>	<u>(36,368)</u>
Net (decrease)/increase in cash and cash equivalents		(232,137)	36,929
Cash and cash equivalents at 1 January		<u>357,243</u>	<u>320,314</u>
Cash and cash equivalents at 31 December		<u><u>125,106</u></u>	<u><u>357,243</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective January 2019) - (Charities SORP (FRS102)).

Basis of preparation

Heathercombe Brake 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 notes.

Going concern

Following the interruption to the business due to the Covid-19 impact, the centre was shut on 23rd March 2020. trustees have assessed the prospects of the charity over the next 18 months through budgets, cash flow forecasts and discussion with the current Auditors. The business has a low season between November and February, so assessment was made beyond that period when considering the future of the charity.

The impact of the virus on the charity will have long term implications for the charity's operations. Future budgeting is all based on limiting numbers to two schools visiting in any one week. Budget figures for the twelve months from September 2021 to the end of August 2022 show a surplus of £86,000 before depreciation and a surplus of £12,000 after deducting depreciation. This is based on existing bookings to date, with a cap of around 90 pupils each week. These figures are then discounted by 20% for the remainder of 2021 and 10% for 2022. Church, youth and other groups have been budgeted on existing bookings for the remainder of 2021, all discounted by 40% to allow for drop offs. In 2022 they are based on regular bookings only, discounted by 10%. All overheads are predicted to continue as previously, with cost of living increases, direct expenditure is based on the smaller group sizes.

The cash balance (excluding the sale of Brookside) at the end of August 2022 is predicted to be £215,000 which includes outstanding loan capital of £210,000. The actual cash balance at the end of September 2021 was £183,407 which compared favourably with the predicted cashflow balance of £167,497.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Charity and based on the cashflows and budgets prepared the trustees are of the opinion that the charity is a going concern, and the accounts have therefore been prepared on a going concern basis,

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

Income and endowments

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

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Charitable activities

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

Deferred income

Deferred income represents non-refundable deposits received for bookings in future periods. These are deferred and released into incoming resources in the period in which the activity takes place. In the event that the activity is cancelled and not rebooked the deposit is recognised immediately in incoming resources.

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.

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and relating to the governance of the Charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised, items costing less are written off in the year of purchase.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	2-5% straight line
Round House in freehold property	10% straight line
Plant and machinery	2-25% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	25% straight line

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving items.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Leasing 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 Charity. 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 incorporating income and expenditure account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating income and expenditure account on a straight line basis over the lease term.

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Grants, including capital grants; Coronavirus Job Retention Scheme	221,015	221,015
Total for 2020	<u>221,015</u>	<u>221,015</u>

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Income from charitable activities	196,093	70	196,163	977,205

4 Income from other trading activities

	Unrestricted funds £	Total 2020 £	Total 2019 £
Property rental income	1,026	1,026	776
	<u>1,026</u>	<u>1,026</u>	<u>776</u>

5 Investment income

	Unrestricted funds £	Total 2020 £	Total 2019 £
Interest receivable and similar income; Interest receivable on bank deposits	213	213	566

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

6 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2020 £	2019 £
Provisions, Housekeeping and activity	27,908	-	27,908	95,696
Catering and hospitality temporary staff costs	4,147	-	4,147	9,334
Miscellaneous staff costs	-	563	563	4,577
Stationery and advertising	-	2,852	2,852	5,128
Telephone	-	12,770	12,770	19,384
Motor and travel	-	4,494	4,494	18,239
Repairs, renewals and replacements	-	29,166	29,166	72,747
Bank charges	-	296	296	416
Rates	-	28,562	28,562	18,052
Insurance	-	20,606	20,606	21,356
Heat and light	-	36,957	36,957	53,262
Interest on hire purchase contracts	-	1,058	1,058	5,807
Wages and salaries	-	537,762	537,762	503,012
Staff training	-	7,800	7,800	24,048
Pension cost	-	12,968	12,968	13,849
Depreciation	-	86,899	86,899	78,411
Loss on disposal of fixed assets	-	-	-	2,411
Governance costs	-	18,528	18,528	14,033
	<u>32,055</u>	<u>801,281</u>	<u>833,336</u>	<u>959,762</u>

Included in the expenditure analysed above, there are governance costs of £18,528 (2019 - £14,033) which relate directly to charitable activities. See note 7 for further details.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds £	Total 2020 £	Total 2019 £
Audit fees			
Audit of the financial statements	10,380	10,380	7,380
Other fees paid to auditors	7,774	7,774	5,300
Legal fees	374	374	1,353
	<u>18,528</u>	<u>18,528</u>	<u>14,033</u>

8 Net incoming resources

Net (outgoing)/incoming resources for the year include:

	2020 £	2019 £
Operating leases - other assets	1,110	4,439
Audit fees	10,380	7,380
Other non-audit services	7,774	5,300
Loss on disposal of tangible fixed assets	-	2,411
Depreciation of fixed assets	<u>86,899</u>	<u>78,411</u>

9 Trustees' remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the Charity during the year (2019: nil).

During the year 2 trustees (2019: 5 trustees) were reimbursed travel expenses of £178 (2019: £976) in connection with their role as a trustee.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

10 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	477,843	472,653
Social security costs	34,039	30,359
Pension costs	12,968	13,849
Redundancy costs	25,880	-
	<u>550,730</u>	<u>516,861</u>

The monthly average headcount of persons (including senior management team) employed by the Charity during the year was as follows:

	2020 No	2019 No
Management	2	2
Support	<u>27</u>	<u>32</u>
	<u>29</u>	<u>34</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the Charity as noted in the Trustees' Report on page 8, were £83,104 (£15,200 of this consisted of pension and social security costs) (2019 - £81,082 with £9,609 consisting of pension and social security costs). A further £9,146 was paid to key management personnel in respect of redundancies.

11 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>10,380</u>	<u>7,380</u>
Other fees to auditors		
All other non-audit services	<u>7,774</u>	<u>5,300</u>

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Taxation

The Charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost					
At 1 January 2020	1,922,503	187,832	21,334	315,083	2,446,752
Additions	-	8,800	-	9,350	18,150
At 31 December 2020	<u>1,922,503</u>	<u>196,632</u>	<u>21,334</u>	<u>324,433</u>	<u>2,464,902</u>
Depreciation					
At 1 January 2020	608,287	115,517	8,829	116,954	849,587
Charge for the year	<u>43,063</u>	<u>24,680</u>	<u>2,901</u>	<u>16,255</u>	<u>86,899</u>
At 31 December 2020	<u>651,350</u>	<u>140,197</u>	<u>11,730</u>	<u>133,209</u>	<u>936,486</u>
Net book value					
At 31 December 2020	<u>1,271,153</u>	<u>56,435</u>	<u>9,604</u>	<u>191,224</u>	<u>1,528,416</u>
At 31 December 2019	<u>1,314,216</u>	<u>72,315</u>	<u>12,505</u>	<u>198,129</u>	<u>1,597,165</u>

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2020 £	2019 £
Plant and machinery	<u>-</u>	<u>155,852</u>

14 Stock

	2020 £	2019 £
Consumables and goods for resale	<u>9,560</u>	<u>8,223</u>

15 Debtors

	2020 £	2019 £
Trade debtors	1,158	132
Prepayments	-	2,121
Other debtors	<u>20,797</u>	<u>5,615</u>
	<u>21,955</u>	<u>7,868</u>

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	10,000	-
Trade creditors	2,016	3,886
Hire purchase and finance leases	-	5,094
Other taxation and social security	3,621	3,768
Other creditors	3,908	7,635
Accruals and deferred income	<u>82,798</u>	<u>92,505</u>
	<u>102,343</u>	<u>112,888</u>

17 Creditors: amounts falling due after one year

	2020 £
Bank loans	<u>140,000</u>

Included in the creditors are the following amounts due after more than five years:

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

	2020
	£
After more than five years by instalments	<u>20,000</u>

Bank loans and overdrafts after five years

The bank loan is a Coronavirus Business Interruption Loan and has a repayment term of 6 years. No capital repayments are due for the first 12 months, the balance is then repayable over the remaining 5 years by monthly instalments. Interest is charged at 2.18% above bank base rate.

18 Commitments

Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Commitments provided for in the accounts amounted to £2,134 (2019 - £3,768).

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

19 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
Unrestricted funds					
General					
Free reserves	248,676	418,347	(746,437)	(18,150)	(97,564)
Designated					
Fixed asset reserve	1,597,165	-	(86,899)	18,150	1,528,416
Access fund	4,717	-	-	-	4,717
	<u>1,601,882</u>	<u>-</u>	<u>(86,899)</u>	<u>18,150</u>	<u>1,533,133</u>
Total unrestricted funds	<u>1,850,558</u>	<u>418,347</u>	<u>(833,336)</u>	<u>-</u>	<u>1,435,569</u>
Restricted funds					
Camp Courageous	4,106	-	-	-	4,106
Wheelchair fund	2,949	70	-	-	3,019
	<u>7,055</u>	<u>70</u>	<u>-</u>	<u>-</u>	<u>7,125</u>
Total restricted funds	<u>7,055</u>	<u>70</u>	<u>-</u>	<u>-</u>	<u>7,125</u>
Total funds	<u>1,857,613</u>	<u>418,417</u>	<u>(833,336)</u>	<u>-</u>	<u>1,442,694</u>

Access Fund

The Access fund is a hardship/deprivation fund available to needy and deprived groups, with a focus on disadvantaged children in a Christian environment. During the year no payments were made from the fund and the balance of £4,717 is carried forward for use in 2021.

Restricted funds

The Charity established a legacy project on its 25th anniversary called Camp Courageous. The Charity raised funds in the year to provide free places at the camp at Heatree for families from South Devon with children suffering from Down's Syndrome. At the year end £4,106 remained unspent and was carried forward into 2021.

During the year the charity continued to raise money toward the purchase of a wheelchair. A total of £70 was raised by the year end and a balance of £3,019 was carried forward into 2021.

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2019 £
Unrestricted funds					
<i>General</i>					
Free reserves	232,017	965,223	(871,671)	(76,893)	248,676
<i>Designated</i>					
Fixed asset reserve	1,601,094	-	(80,822)	76,893	1,597,165
Access fund	4,717	-	-	-	4,717
	<u>1,605,811</u>	<u>-</u>	<u>(80,822)</u>	<u>76,893</u>	<u>1,601,882</u>
Total unrestricted funds	<u>1,837,828</u>	<u>965,223</u>	<u>(952,493)</u>	<u>-</u>	<u>1,850,558</u>
Restricted					
Camp Courageous	1,000	10,375	(7,269)	-	4,106
Wheelchair fund	-	2,949	-	-	2,949
	<u>1,000</u>	<u>13,324</u>	<u>(7,269)</u>	<u>-</u>	<u>7,055</u>
Total restricted funds	<u>1,000</u>	<u>13,324</u>	<u>(7,269)</u>	<u>-</u>	<u>7,055</u>
Total funds	<u>1,838,828</u>	<u>978,547</u>	<u>(959,762)</u>	<u>-</u>	<u>1,857,613</u>

20 Analysis of net assets between funds

	Unrestricted funds £	Unrestricted Designated £	Restricted £	Total funds £
Tangible fixed assets	-	1,528,416	-	1,528,416
Current assets	144,779	4,717	7,125	156,621
Current liabilities	(102,343)	-	-	(102,343)
Creditors over 1 year	(140,000)	-	-	(140,000)
	<u>(97,564)</u>	<u>1,533,133</u>	<u>7,125</u>	<u>1,442,694</u>
Total net assets	<u>(97,564)</u>	<u>1,533,133</u>	<u>7,125</u>	<u>1,442,694</u>

Heathercombe Brake Trust

Notes to the Financial Statements for the Year Ended 31 December 2020

21 Analysis of net debt

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	357,243	(232,137)	125,106
Debt due within one year	-	(10,000)	(10,000)
Debt due after more than one year	-	(140,000)	(140,000)
Finance leases and hire purchase contracts	<u>(5,094)</u>	<u>5,094</u>	<u>-</u>
Net debt	<u>352,149</u>	<u>(377,043)</u>	<u>(24,894)</u>

22 Related party transactions

Related party transactions

Jonathan Bishop, Chair of trustees, donated £1,468 to the charity in the year. The donation was unrestricted.

Jonathan Bishop and Matthew Pitts, trustees, are both directors of Cornerstone Academy Trust.

The Charity made purchases of £432 (2019: £1,104) for IT services during the year from Clystnet, the Chair of Cornerstone Academy Trust, Henry Massey, owns this company.

Controlling party

The Charity is under the control of the trustees and there is not considered to be an ultimate controlling party.