

Registered number: 04592593
Charity number: 1096256

HORIZONS (PLYMOUTH)
(A COMPANY LIMITED BY GUARANTEE)

UNAUDITED

TRUSTEES' REPORT
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

HORIZONS (PLYMOUTH)
(A COMPANY LIMITED BY GUARANTEE)

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HORIZONS (PLYMOUTH)
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2021

Trustees	Dr J D Hill	Chair	
	Dr A J Eccleston	Chair	Resigned 25 March 2021
	Mr A R D Anderson	Treasurer	
	Mr P A Bone		
	Mrs J Byrne		
	Mr M R Malric-Smith		
	Mr I D M Oag		Appointed 16 February 2021
	Mrs T J Vassollo		Appointed 2 March 2021
	Dr J Richardson		
Company registered number	04592593		
Charity registered number	1096256		
Registered office	5 Richmond Walk Devonport Plymouth Devon PL1 4LL		
Accountants	Northcott Trumfield Chartered Accountants Devonshire Villa 52 Stuart Road Stoke Plymouth Devon PL3 4EE		

HORIZONS (PLYMOUTH)

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The Trustees present their annual report together with the financial statements of the Charity for the 1 July 2020 to 30 June 2021.

The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

The Charity's Objects are to advance the education of children and young people in the Plymouth area and improve their quality of life by providing experience in sailing, motor boating and other related activities not ordinarily available to these persons.

The strategies employed to achieve the Charities aims and objectives are to:

- Provide educational boating excursions for school children
- Provide sailing experience and instruction for young people
- Collect, publish and distribute educational material
- Provide training for adult voluntary support workers
- Provide practical boat operating experience and instruction for young people
- Provide sailing and motor boating experiences for disabled persons
- Provide educational events
- Raise funds through grant applications, donations and other activities

The criteria the Charity uses to assess success in the reporting period were:

- The number of child sessions delivered
- Procuring and maintaining a suitable fleet of sailing vessels and powerboats
- Raising sufficient funds to cover the cost of operations
- Recruiting and retaining core staff with the required skills and experience
- Recruiting and training sufficient volunteers to work alongside the core staff
- Recruiting and retaining a Board of Trustees with the required skills and experience

The significant activities undertaken during the period were:

- Delivering the Schools Sailing Project
- Running a twice weekly Sailing Club
- Offering a Winter Youth Project
- Running a range of RYA training courses for both cadets and volunteers
- Participation in a variety of fund-raising events, including the Eddystone Charity Pursuit

Main Activities Undertaken to Further the Charity's Purposes for Public Benefit

The Trustees have reviewed the activities of the Charity and in the light of the guidance published by the Charity Commission on public benefit. The Trustees are satisfied that the charity's activities are for the public benefit by focusing on disadvantaged and disabled children in Plymouth.

HORIZONS (PLYMOUTH)

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2021

Volunteers

The Charity is very involved in the community and relies on voluntary help, with over 80 volunteers assisting with sailing sessions and other activities. The Trustees take the opportunity of thanking all the Volunteers for the work they do throughout the year.

Achievements and Performance

Review of Activities

During the last full year of sailing operations (2020) the Charity's key achievements were:

- Delivering a total of 1,200 child sessions in the season despite restrictions caused by the Covid-19 pandemic
- Achieving a surplus of income over expenditure from a diverse range of fund-raising activities
- Prudently taking some profit from equity-based investments to help fund core expenditure

Some facts and figures showing the scope of facilities:

- Seasons Totals
 - 476 children and vulnerable adults aged 8 to 25 attended Horizons activities
 - 91 of these had a registered disability
 - 1,288 child sessions provided
 - 119 sessions delivered
- After Schools Clubs: Subsidised recreational sailing using Picos, Hawk 20s and safety boats
 - 44 sessions delivered
 - 78 individual children registered, 16 cadets with a disability
 - 415 child sessions provided (total cadet attendance at all sessions)
 - 47 volunteers helped with these sessions
- Schools Project: Educational activities in motor launch "Friendship of Plymouth" and Hawk 20s
 - 26 sessions delivered
 - 203 individual children from 3 state primary schools took part, 8 children with a disability
 - 470 child sessions provided (total child attendance at all sessions)
 - 22 volunteers helped with these sessions
- Groups, Events and Training courses for young people
 - 45 sessions delivered including 2 days for children with ASD (Autism spectrum disorder)
 - 155 individual children took part, 59 children with a disability
 - 340 child sessions provided (total attendance at all sessions)
 - 31 volunteers helped with these sessions
- Winter Youth Project: Sessions for children and vulnerable adults ages 8 to 25
 - 4 sessions delivered from November to March
 - 35 individual children registered, 8 children with a disability
 - 63 child sessions provided
 - 3 volunteers helped with these sessions
- Service Users: Disability groups
 - Dame Hannah Rogers Trust
 - Friends and Families of Special Children
 - Plymouth Short Breaks
 - Moorvision
- Service Users: Other groups
 - Schools
 - Seaton Scouts
 - Collaboration with the Island Sailing Trust so our children could have a trip on "Pegasus"
 - RYA Tackling Inequalities family sailing Sessions
 - Sea School

HORIZONS (PLYMOUTH) **(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 30 JUNE 2021**

Grants and Donations

The table below shows details of some of the grants and donations received during the year:

		£
Restricted		
Elmgrant Trust	Boat Storage	1,500
Scobell Charitable Trust	Boat Storage	2,000
Charles Lewis Foundation	PPE and Pico Sails	1,324
Volant Trust	Safety Equipment	1,000
RYA/Sports England	Tackling Inequalities	10,000
Peter Harrison Foundation	Schools Programme	8,000
RYA Sailactivity Investment Programme	Volunteer training	400
Babcock International	After Schools Club	2,000
Kingsgrove Charitable Trust	After Schools Club	200
Kelsey Trust	Safety Equipment	1,500
		<hr/>
		25,926
Unrestricted		
Beckly Trust	General Running Costs	1,500
Pentland Stalls Charitable Trust	General Running Costs	1,500
Clemas Trust	General Running Costs	500
Alliance Family Foundation	General Running Costs	250
		<hr/>
		3,750

Investment Policy and Performance

The Charity has two principal investments:

- An equity-based portfolio managed by Charles Stanley with a medium/high risk profile.
- A deposit account with the COIF Charity Investment Fund.

Financial Review

Income for the year was £123,678 and expenditure was £134,250 giving net expenditure of £10,572. Investments increased in value by £23,602 on the prior year as a result of the partial recovery from global Covid-19 pandemic.

During the year the charity purchased a new portacabin for £13,440. The total net assets of the charity were £228,007 and unrestricted free funds were £19,517 at the year end.

As a result of the Covid-19 pandemic and UK Government lockdown sailing activities ceased in March 2020 and our staff were furloughed. As a result, no staff redundancies were necessary during the year and we have been fortunate in being able to retain valuable skills and experience.

The directors have assessed the impact of Covid-19 on the charity and do not consider that assets have been significantly impaired other than equity investments.

The directors are aware that the future will be challenging for income generation. We are planning to continue operating sailing activities with safe protocols in place and have assessed forecasts over the next 12 months.

The healthy balance sheet at the end of 2020-21 is due to the value of the fleet of boats, cash reserves and the funds in hand. Although the Charity has firm control of core running costs, income fluctuates considerably due to a strong dependence on success in grant applications.

HORIZONS (PLYMOUTH)

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2021

Financial Review (continued)

Horizons has received a substantial grant from the Peter Harrison Foundation which will enable it to continue to run the Horizons School Sailing Project without the reliance on core funds which has been the case in the last few years. The partner schools are very keen to continue this activity and so delivery on the same scale as before is very welcome.

The Projected Expenditure for the current financial year is based on running the same level of activity as the previous year. The Projected Income is shown as the same figure because, in principle, the Charity would not budget to make a loss – but in reality, income depends heavily on being successful with funding bids.

Going Concern

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

Risk Management

The principal risks faced by the Charity are:

- Managing the safety of cadets, volunteers and staff engaged in water-based activities
- Maintaining sufficient income from grants, donations etc. to cover operational costs

The trustees have a risk management strategy which comprises:

- A library of procedures and risk assessments to manage the water-based activities
- A regular review of income and expenditure by both the Management Team and Trustees

Reserves Policy

Horizons has a policy of maintaining sufficient reserves to operate for about a year if funding fails and to be able to comply with legislation relating to staff redundancies etc. should that become inevitable.

The Charity is also dependent on the support of Plymouth City Council who has made suitable workshop/office/classroom premises available at an affordable rent. The Charity is very vulnerable to a change of policy (which has already affected other local charities) and has therefore designated a substantial proportion of our reserves towards the long-term aim of acquiring a new building which will give Horizons more security. Hence about £140,000 of the Balance Sheet funds are designated for the Building Fund and a contingency reserve for winding up, if that ever became necessary.

The Trustees aim to have approximately 3-5 months of expenditure in free reserves to meet cash flow requirements. This would equate to approximately £35,000 to £58,000. At the year end the balance was £43,149.

Structure, Governance and Management

Constitution

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 26 February 2015.

HORIZONS (PLYMOUTH) **(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 30 JUNE 2021**

Method of Appointment or Election of Trustees

As set out in the Articles of Association, the Chair of the Trustees is nominated by the Trustees. New Trustees are appointed by existing Trustees and the members of the charitable company. The Memorandum and Articles provides a minimum of 3 Trustees, to a maximum of 12 Trustees. At every annual general meeting one-third of the Trustees who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one third shall retire from office; but there is only one Trustee who is subject to retirement by rotation, he/she shall retire.

When appointing new Trustees, the Board will consider the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Charity's developments. New Trustees may be sought by open advertisement or through existing members. When considering co-opting Trustees, the Board has regard to the requirement for any specialist skills needed, for example legal or accounting skills.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Charity and a chance to meet other staff. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Key Management Personnel

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Charity to the 'Horizons Management Team'. This consists of all members of Staff and two Trustees, including the Treasurer. This group is responsible for managing operations and reports to the Trustees.

Organisational Structure and Decision Making

The Board of Trustees usually meet monthly. The Board establishes an overall framework for the governance of the Charity and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The Trustees are responsible for settling general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring Charity by the use of budgets and other data, and making major decisions about the direction of the Charity, capital expenditure and staff appointments.

Related Party Relationships

None of our Trustees receive remuneration or other benefit from their work with the Charity.

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a member.

This report was approved by the Trustees, on 11 February 2022 and signed on their behalf by:



Dr J D Hill, Chair of Trustees

HORIZONS (PLYMOUTH)
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 JUNE 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HORIZONS (PLYMOUTH) (the 'Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 30 June 2021.

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

Responsibilities and Basis of Report

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

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

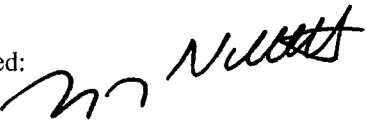
Independent Examiner's Statement

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

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:


Guy Ian Northcott
FCA, Bsc(Econ) Hons, DchA
For and on behalf of:
Northcott Trumfield
Chartered Accountants
Devonshire Villa
52 Stuart Road
Stoke
Plymouth
PL3 4EE

Date: 11 February 2022

HORIZONS (PLYMOUTH)
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 30 JUNE 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income and endowments from:					
Donations and legacies	2	26,275	61,748	88,023	76,704
Charitable activities	3	3,648	-	3,648	10,339
Other trading activities	4	1,676	-	1,676	19,133
Investments	5	2,743	-	2,743	2,779
Other income	6	27,588	-	27,588	15,304
Total income		61,930	61,748	123,678	124,259
Expenditure on:					
Raising funds	4,7	9,057	-	9,057	8,766
Charitable activities		82,103	43,090	125,193	128,810
Total expenditure	10	91,160	43,090	134,250	137,576
Net income/(expenditure) before investment revaluation		(29,230)	18,658	(10,572)	(13,317)
Net gain/(loss) on investments	15	23,602	-	23,602	(7,274)
Net income/(expenditure)		(5,628)	18,658	13,030	(20,591)
Transfer between funds		10,943	(10,943)	-	-
Net movement in funds	18	5,315	7,715	13,030	(20,591)
Reconciliation of funds:					
Total funds brought forward	18	204,882	10,095	214,977	235,568
Total funds carried forward	18	<u>210,197</u>	<u>17,810</u>	<u>228,007</u>	<u>214,977</u>

The notes on pages 10 to 24 form part of these financial statements.

HORIZONS (PLYMOUTH)
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 30 JUNE 2021

		2021	2020
	Note	£	£
Fixed Assets			
Tangible assets	14	50,339	49,803
Investments	15	<u>100,341</u>	<u>75,166</u>
		150,680	124,969
Current Assets			
Debtors	16	9,188	14,905
Cash at bank and in hand		<u>78,475</u>	<u>88,072</u>
		87,663	102,977
Creditors:			
Amounts falling due within one year	17	<u>(10,336)</u>	<u>(12,969)</u>
Net Current Assets		77,327	90,008
Net Assets		<u>228,007</u>	<u>214,977</u>
Charity Funds:			
Unrestricted funds	18	210,197	204,882
Restricted funds	18	17,810	10,095
Total Charity Funds		<u>228,007</u>	<u>214,977</u>

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

The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ('the act') and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Financial Statements were approved and authorised for issue by the Trustees on 11 February 2022 and signed on their behalf by:



Dr J D Hill, Chair of Trustees

The notes on pages 10 to 24 form part of these accounts.

HORIZONS (PLYMOUTH)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting Policies

1.1 General Information and Basis of Preparation

Horizons (Plymouth) is a company limited by guarantee in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

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

1.2 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.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for the income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of those not employed by the charity is not recognised and refer to the Trustees' report for more information about their contribution.

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

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

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

HORIZONS (PLYMOUTH)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting Policies (continued)

1.3 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

1.4 Tangible Fixed Assets and Depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short-term leasehold property	-	5-10%	straight line
Boats	-	25%	straight line
Motor vehicles	-	25%	straight line
Equipment	-	25%	straight line

1.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities incorporating Income and Expenditure Account.

1.6 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 Bank.

HORIZONS (PLYMOUTH)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting Policies (continued)

1.7 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.

1.8 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.

1.9 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 within interest payable and similar charges.

1.10 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.

1.11 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.

1.12 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.

HORIZONS (PLYMOUTH)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting Policies (continued)

1.13 Critical Accounting Estimates and Areas of Judgement

Estimates and judgements 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 preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Whilst there is a level of assumption in these judgements, the Directors feel these are unlikely to have a significant effect on, or cause material error to the amounts recognised in the financial statements.

2. Income from Donations and Legacies

	2021 £	2020 £
Unrestricted income		
Donations		
Individual donation	15,000	15,000
HMRC Gift Aid	6,050	17,298
Other	5,225	10,456
	<u>26,275</u>	<u>42,754</u>
 Plymouth City Council Covid Support	 -	 10,000
The PA Nicholas Charitable Trust	-	5,000
Other	-	2,000
	<u>-</u>	<u>17,000</u>

HORIZONS (PLYMOUTH) **(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 JUNE 2021**

2. Income from Donations and Legacies continued

Restricted Income 2021	Boat purchase and maintenance fund £	Hut purchase £	Winter Project £	Boat Project £	Safety Boats and salary costs £	After school family project £	General operating costs £	Volunteer training £	Clothing £	Total £
Donations										
Individual donation	-	-	1,500	-	-	-	-	-	-	1,500
In memory of Sue Carlyon	-	-	-	-	3,770	-	-	-	-	3,770
Other	300	-	-	-	940	-	190	-	-	1,430
	300	-	1,500	-	4,710	-	190	-	-	6,700
Grants										
Plymouth City Council Covid-19 Support	-	-	-	-	-	-	17,431	-	-	17,431
National Lottery Awards for All	-	9,943	-	-	-	-	-	-	-	9,943
Babcock International	-	-	-	-	-	-	2,000	-	-	2,000
Pentland Stalls Charitable Trust	-	-	-	-	-	-	1,500	-	-	1,500
Beckly Trust	-	-	-	-	-	-	1,500	-	-	1,500
Peter Harrison Foundation	-	-	-	-	-	-	4,000	-	-	4,000
Royal Yachting Association	-	-	-	-	-	6,970	-	400	3,030	10,400
The Scobell Charitable Trust	2,000	-	-	-	-	-	-	-	-	2,000
Elmgrant Trust	1,500	-	-	-	-	-	-	-	-	1,500
Other	1,824	-	-	-	200	-	750	-	2,000	4,774
	5,324	9,943	-	-	200	6,970	27,181	400	5,030	55,048
Total for 2021	5,624	9,943	1,500	-	4,910	6,970	27,371	400	5,030	61,748

The Peter Harrison Foundation grant was £8,000 and covers sailing activities over the period from April 2021 to October 2021 and henceforth £4,000 has been deferred to 2022 year end.

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2. Income from Donations and Legacies continued

Restricted Income 2020	Boat purchase and maintenance fund £	Hut purchase £	Winter Project £	Minibus Project £	Safety Boats and salary costs £	Mooring £	Clothing £	Volunteer training £	Education Project £	Total £
The Schuh Trust	-	-	-	5,000	-	-	-	-	-	5,000
Virginia House Settlement	-	-	-	-	-	-	-	1,500	-	1,500
Charities Trust (Yorkshire Building Society)	1,700	-	-	-	-	-	-	-	-	1,700
Three Monkeys Trust	-	-	-	-	-	-	-	-	3,500	3,500
Dixie Rose Findlay Charitable Trust	-	-	-	-	-	3,000	-	-	-	3,000
Other	-	1,000	-	250	-	500	500	-	-	2,250
Total for 2020	1,700	1,000	-	5,250	-	3,500	500	1,500	3,500	16,950

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3. Charitable Activities

	Unrestricted 2021 £	Total 2021 £	Unrestricted 2020 £	Total 2020 £
Sailing activities	3,648	3,648	10,339	10,339
	<u>3,648</u>	<u>3,648</u>	<u>10,339</u>	<u>10,339</u>

4. Other Trading Activities

	£	£	£	£
Fundraising events	1,676	1,676	19,133	19,133
	<u>1,676</u>	<u>1,676</u>	<u>19,133</u>	<u>19,133</u>

5. Investment income

	£	£	£	£
Fundraising events	2,743	2,743	2,779	2,779
	<u>2,743</u>	<u>2,743</u>	<u>2,779</u>	<u>2,779</u>

6. Other income

	£	£	£	£
Covid-19 Furlough	27,338	27,338	15,304	15,304
Sale of assets	250	250	-	-
	<u>27,588</u>	<u>27,588</u>	<u>15,304</u>	<u>15,304</u>

7. Raising Funds

	£	£	£	£
Salaries	7,190	7,190	7,190	7,190
Investment portfolio	1,037	1,037	1,025	1,025
Expenses	830	830	551	551
	<u>9,057</u>	<u>9,057</u>	<u>8,766</u>	<u>8,766</u>

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8. Analysis of Expenditure on Charitable Activities

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Boat operations and maintenance	11,927	1,394	13,321	11,563	74	11,637
Mooring fees	1,127	-	1,127	3,259	3,500	6,759
Boat storage	2,182	1,701	3,883	3,270	-	3,270
Volunteer expenses	246	-	246	1,654	200	1,854
Subscriptions and publications	1,852	-	1,852	1,550	-	1,550
Licences and permits	170	-	170	-	-	-
Rent, rates and utilities	-	-	-	53	-	53
Safety equipment and clothing	1,797	3,754	5,551	2,810	1,798	4,608
Salaries	28,622	36,241	64,863	59,724	4,800	64,524
Minibus running costs	2,063	-	2,063	1,657	648	2,305
Depreciation	14,478	-	14,478	13,147	-	13,147
Support costs	10,459	-	10,459	11,585	-	11,585
Administration	4,020	-	4,020	4,857	-	4,857
Governance	3,160	-	3,160	2,661	-	2,661
	<u>82,103</u>	<u>43,090</u>	<u>125,193</u>	<u>117,790</u>	<u>11,020</u>	<u>128,810</u>
Raising funds	9,057	-	9,057	8,766	-	8,766
	<u>91,160</u>	<u>43,090</u>	<u>134,250</u>	<u>126,556</u>	<u>11,020</u>	<u>137,576</u>

9. Support Costs

	Support costs Sailing Activities 2021 £	Admin- istration 2021 £	Gover- nance 2021 £	Total 2021 £	Support costs Sailing Activities 2020 £	Admin- istration 2020 £	Gover- nance 2020 £	Total 2020 £
Insurance	3,750	-	-	3,750	3,999	-	-	3,999
Travel	10	-	-	10	179	-	-	179
Rent, rates and utilities	6,513	-	-	6,513	7,108	1,254	-	8,362
Bank charges	186	-	-	186	299	-	-	299
Admin	-	4,020	-	4,020	-	2,238	-	2,238
Independent examiner	-	-	1,800	1,800	-	-	1,800	1,800
Professional	-	-	-	-	-	-	861	861
Salaries	-	-	1,360	1,360	-	1,365	-	1,365
	<u>10,459</u>	<u>4,020</u>	<u>3,160</u>	<u>17,639</u>	<u>11,585</u>	<u>4,857</u>	<u>2,661</u>	<u>19,103</u>

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10. Charitable Expenditure

	Staff Costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total 2021 £	Total 2020 £
Expenditure on raising voluntary income	7,190	-	1,867	9,057	8,766
Charitable activities					
Sailing activities	64,863	14,478	38,672	118,013	121,292
Management	1,360	-	4,020	5,380	4,857
	<u>66,223</u>	<u>14,478</u>	<u>42,692</u>	<u>123,393</u>	<u>126,149</u>
Expenditure on Governance	-	-	1,800	1,800	2,661
Total 2021	<u>73,413</u>	<u>14,478</u>	<u>46,359</u>	<u>134,250</u>	
Total 2020	<u>73,079</u>	<u>13,147</u>	<u>51,350</u>	<u>137,576</u>	

11. Net Income/(Expenditure)

	2021 £	2020 £
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	14,478	18,502
Profit on disposal	-	2,119
	<u>14,478</u>	<u>16,383</u>

During the year, no Trustees received any remuneration (2020: £NIL).

During the year, no Trustees received any benefits in kind (2020: £NIL).

During the year, no Trustees received any reimbursement of expenses (2020: £NIL).

12. Independent Examiner's Remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £1,800 (2020: £1,800).

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13. Staff Costs

	2021	2020
	£	£
Key management personnel staff costs were as follows:		
Wages and salaries	68,707	67,615
Social security costs	1,867	2,700
Other pension costs	2,839	2,764
	<u>73,413</u>	<u>73,079</u>

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

	2021	2020
	No.	No.
Sailing Activities	<u>3</u>	<u>3</u>

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

14. Tangible Fixed Assets

	Short-term Leasehold Property £	Boats £	Motor Vehicles £	Equipment £	Total £
Cost					
At 1 July 2020	30,828	293,470	21,759	31,518	377,575
Additions	13,440	-	-	1,574	15,014
Disposals	-	-	-	-	-
At 30 June 2021	<u>44,268</u>	<u>293,470</u>	<u>21,759</u>	<u>33,092</u>	<u>392,589</u>
Depreciation					
At 1 July 2020	13,388	278,819	4,440	31,125	327,772
Charge for the year	1,641	8,135	4,440	262	14,478
Disposals	-	-	-	-	-
At 30 June 2021	<u>15,029</u>	<u>286,954</u>	<u>8,880</u>	<u>31,387</u>	<u>342,250</u>
Net Book Value					
At 30 June 2021	<u>29,239</u>	<u>6,516</u>	<u>12,879</u>	<u>1,705</u>	<u>50,339</u>
At 30 June 2020	<u>17,440</u>	<u>14,651</u>	<u>17,319</u>	<u>393</u>	<u>49,803</u>

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15. Fixed Asset Investments

	Listed Securities £
Market Value	
At 1 July 2020	75,166
Additions	17,947
Disposals	(21,177)
Increase in cash held	4,803
Revaluations	23,602
At 30 June 2021	<u>100,341</u>

Investments at Market Value comprise:

	2021 £	2020 £
Cash	11,345	6,542
Listed investments	88,996	68,624
	<u>100,341</u>	<u>75,166</u>

All the fixed asset investments are held in the UK.

16. Debtors

	2021 £	2020 £
Prepayments and accrued income	<u>9,188</u>	<u>14,905</u>

17. Creditors: Amounts Falling Due Within One year

	2021 £	2020 £
Other taxation and social security	417	915
Other creditors	2,192	55
Accruals	3,727	2,056
Deferred income	4,000	9,943
	<u>10,336</u>	<u>12,969</u>

Deferred Income

At 1 July 2020	9,943
Additions	4,000
Amounts released to income	9,943
At 30 June 2021	<u>4,000</u>

The Peter Harrison Foundation grant was £8,000 and covers sailing activities over the period from April 2021 to October 2021 and henceforth £4,000 has been deferred to 2022 year end.

HORIZONS (PLYMOUTH)
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NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of Funds

Statement of Funds - Current Year

	Balance at 1 July 2020 £	Income £	Expenditure £	Transfers In	Transfers Out £	Losses	Balance at 30 June 2021 £
Unrestricted Funds							
Designated Funds							
Designated long term contingency fund	40,000	-	-	-	-	-	40,000
Designated fixed asset reserve	46,567	-	-	3,772	-	-	50,339
Designated building purchase reserve	75,166	-	-	25,175	-	-	100,341
Total Designated Funds	161,733	-	-	28,947	-	-	190,680
General Funds							
General funds	43,149	61,930	91,160	10,943	28,947	23,602	19,517
Total Unrestricted Funds	204,882	61,930	91,160	39,890	28,947	23,602	210,197
Restricted Funds							
Boat purchase and maintenance fund	100	5,624	3,659	-	-	-	2,065
Hut purchase	1,000	9,943	-	-	10,943	-	-
Winter Project	3,000	1,500	1,500	-	-	-	3,000
Boat Project	5,597	-	-	-	5,597	-	-
Safety boats and salary costs	-	4,910	-	5,597	-	-	10,507
After school family project	-	6,970	6,970	-	-	-	-
General operating costs	-	27,371	27,371	-	-	-	-
Volunteer training	-	400	400	-	-	-	-
Clothing	398	5,030	3,190	-	-	-	2,238
Total Restricted	10,095	61,748	43,090	5,597	16,540	-	17,810
Total of Funds	214,977	123,678	134,250	45,487	45,487	23,602	228,007

Fund transfers include £10,943 for assets purchased and the conditions have been fulfilled.

Free Reserves:

The general fund – Represents the free funds of the charity, which are not designated for a particular purpose.

Designated Reserves:

The designated long term contingency fund has remained the same. The fund is an amount set aside to meet ongoing costs occurring after the year end in respect of insurance, mooring, boat storage, etc.

The designated fixed asset reserve is to assist in identifying funds, which are not free funds. It represents the net book value of tangible fixed assets, which do not form part of the capital restricted funds or a separate designated fund.

The designated building purchase reserve has been set aside to purchase suitable premises in the future, if they become available. The reserve is represented by the Charity investments and the growth thereof which are being managed by Charles Stanley & Co Ltd.

HORIZONS (PLYMOUTH)
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18. Statement of Funds (continued)

Restricted Reserves:

Boat Purchase and Maintenance Fund is for the ongoing support and running of boats.

Hut Purchase fund is for the replacement of the storage hut which was purchased in the year.

Winter Project funds was for specific sailing projects in winter.

Boat Project funds are for specific boat purchase projects such as replacing or acquiring new boats.

After school family project, vehicles, clothing and volunteer training all relate to specific donations.

Statement of Funds - Prior Year

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers In	Transfers Out £	Losses	Balance at 30 June 2020 £
Unrestricted Funds							
Designated Funds							
Designated long term contingency fund	40,000	-	-	-	-	-	40,000
Designated fixed asset reserve	41,785	-	-	4,782	-	-	46,567
Designated building purchase reserve	80,906	-	-	-	5,740	-	75,166
Total Designated Funds	162,691	-	-	4,782	5,740	-	161,733
General Funds							
General funds	34,009	107,309	126,556	35,661	-	7,274	43,149
Total Unrestricted Funds	196,700	107,309	126,556	40,443	5,740	7,274	204,882
Restricted Funds							
Boat purchase and maintenance fund	410	-	-	-	310	-	100
Hut purchase	-	1,000	-	-	-	-	1,000
Winter Project	-	-	-	3,000	-	-	3,000
Boat Project	3,379	1,700	74	592	-	-	5,597
Courses (Grants)	6,532	1,500	1,500	-	6,532	-	-
Staff Training (Grant)	2,590	-	-	-	2,590	-	-
Education Project	10,000	3,500	3,500	-	10,000	-	-
Minibus Project	5,134	5,250	1,873	-	8,511	-	-
Mooring	-	3,500	3,500	-	-	-	-
Clothing	10,823	500	573	-	10,352	-	398
Total Restricted	38,868	16,950	11,020	3,592	38,295	-	10,095
Total of Funds	235,568	124,259	137,576	44,035	44,035	7,274	214,977

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

18. Statement of Funds (continued)

Fund transfers include £23,285 for assets purchased and the conditions have been fulfilled together with the alignment of restricted funds brought forward.

Free Reserves:

The general fund – Represents the free funds of the charity, which are not designated for a particular purpose.

Designated Reserves:

The designated long term contingency fund has remained the same. The fund is an amount set aside to meet ongoing costs occurring after the year end in respect of insurance, mooring, boat storage, etc.

The designated fixed asset reserve is to assist in identifying funds, which are not free funds. It represents the net book value of tangible fixed assets, which do not form part of the capital restricted funds or a separate designated fund.

The designated building purchase reserve has been set aside to purchase suitable premises in the future, if they become available. The reserve is represented by the Charity's investments and the growth thereof which are being managed by Charles Stanley & Co Ltd.

Restricted Reserves:

Boat Purchase and Maintenance Fund is for the ongoing support and running of boats.

Hut Purchase fund is for the replacement of the storage hut.

Winter Project funds was for specific sailing projects in winter.

Boat Project funds towards specific boat works.

Courses, education project and training funds relate to receipts for specifically providing sessions.

Vehicles, clothing and volunteer training all relate to specific one off donations.

19. Analysis of Net Assets Between Funds

	Unrestricted Funds 2021	Restricted Funds 2021 £	Total Funds 2021 £
Tangible fixed assets	50,339	-	50,339
Fixed asset investments	100,341	-	100,341
Current assets	69,353	18,310	87,663
Creditors due within one year	(9,836)	(500)	(10,336)
	<u>210,197</u>	<u>17,810</u>	<u>228,007</u>

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19. Analysis of Net Assets Between Funds

Prior Year

	Unrestricted Funds 2020	Restricted Funds 2020 £	Total Funds 2020 £
Taxable fixed assets	49,803	-	49,803
Fixed asset investments	75,166	-	75,166
Current assets	82,939	20,038	102,977
Creditors due within one year	(3,026)	(9,943)	(12,969)
	<u>204,882</u>	<u>10,095</u>	<u>214,977</u>

20 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. The pension cost charge represents contributions payable to the charity to the fund and amounted to £2,839 (2020: £2,764).

21. Related Party Transactions

There were no related party transactions for the year ended 30 June 2021 other than donations from the trustees to the charity.