

**REGISTERED CHARITY NUMBER: 1102820**

**REGISTERED COMPANY NUMBER: 05046531**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020  
FOR  
SOUTH HILL CENTRE**

Acuity Professional Ltd  
Business Advisers and Accountants  
Fifth Floor  
11 Leadenhall Street  
London  
EC3V 1LP

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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## **SOUTH HILL CENTRE**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

05046531

##### **Registered Charity number**

1102820

##### **Principal address**

Cemetery Hill  
Hemel Hempstead  
Hertfordshire  
HP1 1JF

##### **Directors**

Mr R G Oakes (Chairman)  
Mr B L Boggis  
Mr A M Boswell (Secretary)  
Mrs T M Harding (Resigned on 27 July 2020 )  
Mr M J Masters (Resigned on 23 July 2021)  
Mr P J Mann (appointed 9 June 2021)  
Mr G D Wright  
Mrs E Dunscombe

##### **Independent examiner**

J Irvinesmith FCIE  
Independent Examiners Limited  
Unit 2 The Broadbridge Business Centre  
Delling Lane  
Bosham  
West Sussex  
PO18 8NF

##### **Solicitors**

Pothecary Witham Weld  
70 St George's Square  
London  
SW1V 3RD

##### **Bankers**

Santander UK PLC  
PO Box 1125  
Bradford  
BD1 9PG

##### **Accountants**

Acuity Professional Ltd  
Fifth Floor  
11 Leadenhall Street  
London  
EC3V 1LP

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Directors present their report and the financial statements of the Company for the year ended 31st December 2020.

**Constitution and Governance**

South Hill Centre is a charitable company limited by guarantee, incorporated on 17<sup>th</sup> February 2004 and registered as a Charity on 24<sup>th</sup> March 2004.

The Company is established under a Memorandum of Association which sets out its objects and powers. It is governed under its Articles of Association which were amended on 18 November 2012. It was born out of South Hill Church (Hemel Hempstead), which is also a charitable company limited by guarantee.

The Directors have dual roles, the other being as Trustees of the Charity for the purpose of charity law. The Directors who have served during the period and up to the date of this report are:

Brian Boggis  
Alexander Boswell (Company Secretary)  
Elizabeth Dunscombe  
Theresa Harding (to 27 July 2020 – reported in 2019 Accounts))  
Peter Mann (from 9 June 2021)  
Matthew Masters (to 23 July 2021)  
Robin Oakes (Chair)  
Gavin Wright

Matthew Masters resigned as a Trustee with effect from 23 July 2021. Matthew served as Trustee for 14 years and we have valued his whole-hearted support over that period and particularly his help with staff matters and Risk assessment. We will miss his input in the future. We would like to take the opportunity to thank Matthew for his commitment, hard work and dedication over the period. We wish him all the best with his future endeavours.

The remaining Directors bring a unique set of skills to the company's business. They include the pastor of South Hill Church (Hemel Hempstead), two accountants, a current and a former charity worker and a head of quality, safety and environment. Each has significant professional skills and recognises the importance of personal training. They have all attended appropriate training courses in the past and they are all expected to keep up to date with developments in Trustee and Director responsibilities. Training may be specialist in nature depending on the responsibilities the Director has. They are all committed to the aims and objectives of the charity. The Directors have purchased Trustee indemnity insurance.

Jeremy Keeley remains our full time Development and Operations manager and manages the Company very effectively under the guidance and direction of the Directors, who carry out some of the executive functions on a voluntary basis.

The Centre employs staff in Young Discoverers (YD), the pre-school run by the Company, other activities and to provide reception, housekeeping and administrative support to the Company.

**Aims and Objectives for the Public Benefit**

The Directors are aware of their responsibilities to promote activities for the public benefit. South Hill Centre exists to improve the conditions of life for those in the local community of Hemel Hempstead and the surrounding area. This is achieved by the provision of high quality childcare services alongside activities and services to the benefit of other members of the community from toddlers to senior citizens, as described below.

Our vision is 'To be all that God is calling us to be. To demonstrate His love through improving the quality of life for those in our community, building life-long relationships and demonstrating excellence in all we do.'

As a Christian based charity, the Centre's aims are to:

- Be a centre for social development and well-being
  - Improve the quality of life and develop future generations of people in its community
  - Improve social care, particularly for the less advantaged
  - Help promote an active and socially integrated community
  - Develop skills and employability within the local community
  - Provide facilities and activities to give support to local agencies, businesses and other charities
  - Be a positive link between the Church and local community
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**OBJECTIVES AND ACTIVITIES**

**Main Objectives for 2020**

The main objectives for 2020 and their achievement have been significantly affected by the Covid-19 Pandemic. We set out in the table below some of the effects:

**OBJECTIVES**

- Develop our relationship with South Hill Church which is important to us and provides the motivation for many of the community activities which we organise through the Centre. In particular, to strengthen the relationship between YD and South Hill Church and other Centre activities, for both employees and users of the service. We shall continue to develop this “hand in glove” relationship.
- Explore with some of our partners further services we can offer to some of the most vulnerable in the community.
- In the light of our significantly reduced income as a result of the effect of the COVID-19 pandemic, to ensure the financial viability of the Centre for the foreseeable future, including developing plans for those activities which are currently operating at a deficit and for employment support in the light of funding ceasing in June 2021.
- Consider the use of the Nursery Room in the Early Years Centre which has now been released by Herts County Council.
- Continue the development of our digital media related activity to increase our use of multi-media in the building.
- Review the responsibilities of some of our senior staff with a view to possible further appointments to strengthen our administration.

**ACHIEVEMENTS**

- This objective is one which we retain from year to year. It has been at the forefront of our minds throughout the Pandemic.
- This has not been practical during the Pandemic but we have worked with DENS, Sunnyside Rural Trust and the Foodbank to deliver food to those in need. We have also sought to help our many disadvantaged clients with whom we have had contact through this difficult time.
- Although we have lost significant hire income, many of our activities have continued to be supported by funding from Government and generous grants from grant giving organisations. It has also been confirmed that Employment Support funding will continue until December 2022.
- Young Discoverers now occupies the whole Early Years Centre and uses all the facilities for the Nursery and Preschool classes. The setting has stayed open throughout the Pandemic providing care for key workers children.
- Our digital media has been essential to providing remote support to our clients and live streaming of Sunday church services throughout the Pandemic. We are grateful to our staff and volunteers for their willingness to make use of these resources and adapt to the unusual circumstances.
- This objective has been less important during the Pandemic but will be reconsidered during 2021

## **OBJECTIVES AND ACTIVITIES**

### **Activities**

Young Discoverers (YD), which operates in the Early Years Centre (EYC) building, has remained open throughout the pandemic, initially providing care for children of key workers. Other children were invited back as soon as restrictions were lifted. The staff and management have therefore been able to provide excellent service to both nursery and pre-school children during the year making use of the whole EYC building. Its capacity of 350 pre-school sessions and nursery class is spread over 5 days each week and take up continues to be high. The Pre-school has also provided extended care facilities for those children who attend YD and will continue to do so in 2021. YD has an Ofsted rating of “good”. Karen Keene is responsible to the Directors for the effective running of the pre-school and has a direct reporting responsibility to Brian Boggis.

Prior to the global COVID-19 pandemic in late March 2020 the Centre continued to provide on-going services to the local community including Squealers, a carers and toddlers group, which provided 2 sessions per week to some 10-20 toddlers; Table Talk Plus, a luncheon club, which met fortnightly with over 40 clients at each session and ‘SHC Gets Active’, in connection with Everyone Active, which involved a regular afternoon session at the local sports centre to encourage those in the community with whom the Centre engaged, to take part in basic physical activity. Between 10-20 individuals regularly attended these weekly sessions. From April 2020 contact was kept with individuals from these activities despite it not being possible for them to continue to meet physically.

Throughout the year the Centre continued to deliver services to support the most vulnerable in the community. This included employment support through the STRIVE project, in partnership with Herts County Council and other County based providers. The project is part of the Building Better Opportunities Initiative funded by The Big Lottery with match funding from the European Social Fund and aims to engage with those furthest away from the job market to encourage and support them towards employability addressing barriers they may face to getting there. The Centre continued to build on its excellent relationships with Job Centre Plus and many other private and charitable organisations who work locally to support the unemployed. During the pandemic a number of the services were able to continue remotely with a regular twice weekly drop-in through Zoom. Support was offered in CV writing, housing support; business awareness, confidence building, wellbeing support and a number of basic and more advanced IT courses. The Centre also gave physical access to PCs (in a socially distanced, COVID secure way) for those who were digitally excluded over this period. It also provided support for those with physical disabilities and those with other significant barriers to employment (drug/alcohol abuse; mental health; homelessness etc.).

During this period the Centre extended its work providing support for some of the most vulnerable women in the local area – particularly those impacted by the significant increase seen in Domestic Violence. Several virtual support sessions and targeted online courses were held to support the ladies and help them move on in a positive direction with their lives. This work was supported in 2020 by funds from the Hertfordshire Community Foundation; Hertfordshire Police and Crime Commissioner (MOJ funding), local County Councillors, the Batchworth Trust and several other local grant makers and donors.

In order to connect with some of the neediest people in the area, the Centre has continued as a distribution centre and voucher issuer for the DENS Dacorum Foodbank. This service offers parcels 5 days a week and saw a significant increase in demand in this financial year. It was also possible to offer a ‘home delivery’ service in addition to the usual ‘collection only’ service provided. This delivery service was given in conjunction with Sunnyside Rural Trust who provided the vans and drivers.

**OBJECTIVES AND ACTIVITIES**

**Aims and Objectives for the Public Benefit**

During the period January to March 2020 the Centre saw a growth in the demand from other charitable and socially focussed organisations to let Centre facilities. Hirers included: Diabetes Prevention Services; Whizz-Kidz; Carers in Herts, NHS Wellbeing Team, Dacorum Borough Council, Hertfordshire County Council, Playfeet Theatre Company, BENCH CRC probation teams; Rock Choir, London Show Choir, Community Action Dacorum, Families in Focus, NHS / HVCCG, and Herts for Learning amongst many others. Collectively they provided training, advice, activities and support to the local community and hosted many community wide events. All of these organisations, many of which operate in the third sector, were involved in running activities which meet some of the aims and charitable objectives of the Centre as outlined above.

Prior to the Pandemic the Centre continued to host the Hemel Morning Deaf Group and provided links with Hertfordshire Society for the Blind to support individuals impacted by these disabilities in the local area. These did not operate from the Centre during the Pandemic but plans are in place to restart them once Government restrictions allow.

Letting of facilities to other organisations dramatically reduced from March 2020 as restrictions brought in to support management of the pandemic restricted the ability for people to meet physically together. The Centre facilities were ‘moth-balled’ to reduce on-going operational costs for the remainder of the year.

The charity’s facilities continued to be used by South Hill Church for weddings, funerals, Sunday services and other Christian activities when permitted by the pandemic legislation.

The Directors are very grateful to the staff and volunteers who helped with all the activities which we have been able to provide during the year. Their ability to adapt to the unusual circumstances has been amazing. Many of those who have served are members of South Hill Church who give freely of their time. We are pleased that volunteers from the local community also work with us. The Directors provide their time voluntarily.

**Main Objectives for 2021**

The main objectives for 2021 are to:

- Continue to develop our relationship with South Hill Church which is important to us and provides the motivation for many of the community activities which we organise through the Centre. In particular, to strengthen the relationship between YD and South Hill Church and other Centre activities, for both employees and users of the service. We shall continue to develop this “hand in glove” relationship.
- Explore with some of our partners further services we can offer to some of the most vulnerable in the community.
- To rebuild those activities which have been hibernated during the Pandemic but which are still appropriate in the new circumstances we face.
- To generate hire income as those activities which are in line with our objectives wish to recommence.
- Ensure the continued viability of our Young Discoverers Pre-school.
- Review the responsibilities of some of our senior staff and trustees with a view to strengthening our administrative function.

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**FINANCIAL REVIEW**

**Financial Review**

The Centre has a brought forward surplus of £1,384,400 and deficit of incoming resources for the year was £40,709. The remaining surplus balance of £1,343,691 will be carried forward to the next year. The total income for the year was £450,263 (2019: £461,544). The deficit is primarily driven by the impact of Covid 19 where there were less rentals and hires in the period.

Young Discovers is self-funding by way of local authority grants, fees received and fundraising activities. Grants of £132,252 (2019: £122,572) were received and student fees of £36,843 (2019: £38,191) received in the year. Heath Lane Children's Club contributed to its share of the costs incurred by South Hill Centre in connection with running the EYC building until it vacated it in April.

The Directors acknowledge the generous giving by the Charity's supporters. Many of these are members of South Hill Church and during the year these supporters gave either directly (including Gift Aid where appropriate) or indirectly some £12,478 (2019: £31,733).

The total expenditure for the year was £490,972 (2019: £457,897) all of which was spent on charitable activities and governance costs.

At the year end the Company had net assets of £1,343,691 (2019: £1,384,400) represented by £283,776 (2019: £312,300) unrestricted funds, £91 (2019 £18,360) as a restricted fund to be spent providing pre-school services and £1,059,824 (2019: £1,053,740) as a restricted building fund relating to the construction of the EYC and the main building. All grants received from the local authority to the pre-school are treated as restricted, but other income, mainly comprising fees paid by parents where grant is not receivable in respect of particular children, is unrestricted. The remainder of the unrestricted fund includes designated gifts and grants which the Centre has obtained.

The Centre has continued to pay off the mortgage from Kingdom Bank and it is encouraging to see a total repayment of £33,671 (Capital repayment of £18,248 and interest £15,423) during the period through the Centre's normal monthly payments.

The Directors would like to thank Jason Mathew-Mammen and his staff at Acuity Professional for their assistance in maintaining the accounting records during the year and the preparation of these financial statements. A number of other volunteers provide financial information for the activities with which they are involved, and our thanks are extended to these, and also Naomi Keeley our financial administrator.

**Reserves policy and going concern**

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The Directors recognise that it is best practice for charity operations to retain funds representing at least 3 months expenditure in the Company's bank accounts for contingency purposes. This is based on the charity's size and the level of its financial commitment. The Directors seek to manage this for both Young Discoverers and the charity's other activities and this has been achieved in the year. The Directors will ensure the charity is able to continue to fulfil its charitable obligations and will seek to maintain this level of reserves in 2021.

The Directors believe their future plans provide for a flow of funds which will maintain the financial viability of the Company. Monthly management accounts and cash flow projections are prepared and compared with the annual budget, which is regularly reviewed against actual figures. We are also seeking new sources of finance and new projects are not initiated until their financial requirements are forecast and assessed within the overall financial position of the Company.

The Directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, thus we continue to adopt the going concern basis in preparing the financial statements.



**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Risk management**

The Directors are aware of their responsibility to properly manage and mitigate the risks faced by the Company. As such, Board representatives, the Operations Manager and the Young Discoverer's Manager review and update a schedule of the major governance, operational, financial, and external risks facing the Company at least annually. They identify the likelihood and potential impact of each risk along with preventative measures, adopted or planned, to mitigate these. The Board then considers the resultant schedule and its conclusions, endorsing a final register of risks which are reviewed throughout the year, along with emerging risks which might affect the Company; any financial implications are incorporated into the annual budget process.

The Board is satisfied that the major risks facing the Company have been identified and are being appropriately addressed. In particular, the Board considers that the key risks currently facing the Company are as follows.

- Maintaining income to support the activities undertaken, particularly given the impact of COVID-19. We look to diversify our sources of income, are prudent in the projects we take on, work with partner organisations where we deem this is effective, and keep a close eye on costs. In addition, we maintain funds representing at least 3 months expenditure in the Company's bank accounts, acknowledging that some of these funds may be required to cover necessary expenditure in the absence of previously anticipated income.
- Loss of key staff and high staff turnover. We aim to be an employer of choice. We recognise the importance of providing staff with a positive working environment, a living wage, and the flexibility to maintain an appropriate work-life balance. We also seek to balance the challenge of maintaining pay and benefits at an appropriate level, during a period where a number of our employees have had to be furloughed, with the ongoing viability of the organisation. We regularly benchmark salaries paid with industry norms. As such, we have a relatively stable staff population.
- Reputational damage leading to an inability to meet our aims and objectives. We undertake regular DBS checks for all staff and volunteers working with children and vulnerable people, have safeguarding officers and comprehensive child protection, equality and diversity, health and safety, food hygiene, fire risk, complaints, expenses and data protection policies in place. Specific training is given where appropriate to volunteers and employees to help mitigate risks. YD is monitored by Ofsted.
- Impact of Government policy on grant income payable to Young Discoverers, the tax regime the Company falls under, or on the use of volunteers. Although these aspects cannot be directly influenced by the Company, the Board regularly reviews the effectiveness of its strategic direction as well as monitors and seeks advice on changes, and potential changes, in Government policy.

The Board can confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to manage these risks.

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**STATEMENT OF DIRECTORS RESPONSIBILITIES**

Company and Charity law require Directors to prepare a Directors' Report and the financial statements in accordance with applicable law and regulations.

The accounts for each financial year are required to give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period.

In preparing these accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently,
- apply the methods and principles set out in the Charities SORP
- make judgements and estimates that are reasonable and prudent, and
- prepare accounts on the going concern basis unless it is inappropriate to do so.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have overall responsibility for ensuring that the Company has appropriate systems of internal control across the entire organisation. The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss.

**Statement as to Disclosure of Information to the Independent Examiner**

The Directors of the Company who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant information of which the Independent Examiner is unaware and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant information and to establish that the Independent Examiner is aware of that information.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249(2) of the Companies Act 2006. The directors acknowledge their responsibility for:

- a. ensuring the company keeps accounting records which comply with section 211; and
- b. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit or loss for the financial year in accordance with section 266, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.


**Related parties**

The Company has no related parties, other than as disclosed in Note 7 to the Accounts, but has worked closely with many different agencies. In particular the Directors value the support of Hertfordshire County Council, Dacorum Borough Council and South Hill Church.

**Declarations**

The company has taken advantage of the small companies' exemption in preparing the report above.  
The directors declare that they have approved the directors' report above.

Approved by order of the board of directors on 10 September 2021 and signed on its behalf by:



Mr A M Boswell

## INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF SOUTH HILL CENTRE

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I report to the trustees on my examination of the accounts of the South Hill Centre for the year ended 31st December 2020.

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

### **Responsibilities and basis of report**

I report in respect of my examination of the charitable company's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.


### **Independent examiner's statement**

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow Member of the Association of Charity Independent Examiners.

I have completed my examination. No material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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: 

Date: 20th September 2021.....

J Irvin Smith  
Independent Examiners Ltd  
Unit 2 The Broadbridge Business Centre  
Delling Lane  
Bosham  
West Sussex  
PO18 8NF

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

		<b>Unrestricted fund £</b>	<b>Restricted fund £</b>	<b>2020 Total funds £</b>	<b>2019 Total funds £</b>
	<b>Notes</b>				
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	57,870	278,371	336,241	252,506
<b>Charitable activities</b>	5				
Rental Income		69,030	2,100	71,130	142,894
Activity fees		36,843	-	36,843	38,191
Other trading activities	3	5,251	11	5,262	27,047
Investment income	4	<u>787</u>	<u>-</u>	<u>787</u>	<u>906</u>
<b>Total</b>		<b>169,781</b>	<b>280,482</b>	<b>450,263</b>	<b>461,544</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	6				
Charitable Activities		<u>196,704</u>	<u>294,268</u>	<u>490,972</u>	<u>457,897</u>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(26,923)</b>	<b>(13,786)</b>	<b>(40,709)</b>	<b>3,647</b>
<b>Transfers between funds</b>	17	<u>(1,601)</u>	<u>1,601</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<b>(28,524)</b>	<b>(12,185)</b>	<b>(40,709)</b>	<b>3,647</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>312,300</u>	<u>1,072,100</u>	<u>1,384,400</u>	<u>1,380,753</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>283,776</u></u>	<u><u>1,059,915</u></u>	<u><u>1,343,691</u></u>	<u><u>1,384,400</u></u>

The notes form part of these financial statements

**SOUTH HILL CENTRE**

**STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2020**

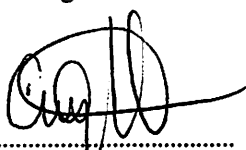
	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	31,591	1,660,731	1,692,322	1,725,703
<b>CURRENT ASSETS</b>					
Debtors	11	1,871	-	1,871	40,750
Cash at bank	12	<u>253,352</u>	<u>2,830</u>	<u>256,182</u>	<u>236,272</u>
		255,223	2,830	258,053	277,022
<b>CREDITORS</b>					
Amounts falling due within one year	13	(3,038)	(69,101)	(72,139)	(78,107)
<b>NET CURRENT ASSETS</b>		<u>252,185</u>	<u>(66,271)</u>	<u>185,914</u>	<u>198,915</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		283,776	1,594,460	1,878,236	1,924,618
<b>CREDITORS</b>					
Amounts falling due after more than one year	14	-	(522,545)	(522,545)	(540,218)
<b>PROVISIONS FOR LIABILITIES</b>	16	-	(12,000)	(12,000)	-
<b>NET ASSETS</b>		<u>283,776</u>	<u>1,059,915</u>	<u>1,343,691</u>	<u>1,384,400</u>
<b>FUNDS</b>	17				
Unrestricted funds				283,776	312,300
Restricted funds				<u>1,059,915</u>	<u>1,072,100</u>
<b>TOTAL FUNDS</b>				<u>1,343,691</u>	<u>1,384,400</u>

The company was entitled to exemption from audit under s477 of the Companies Act 2006 for the year ended 31 December 2021.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

The financial statements were approved by the Board of Trustees and authorised for issue on 10 September 2021 and were signed on its behalf by:



Mr G D Wright - Trustee

The notes form part of these financial statements

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>58,226</u>	<u>34,510</u>
Net cash provided by operating activities		<u>58,226</u>	<u>34,510</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(4,646)</u>	<u>(23,671)</u>
Net cash used in investing activities		<u>(4,646)</u>	<u>(23,671)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		<u>(33,670)</u>	<u>(53,200)</u>
Net cash used in financing activities		<u>(33,670)</u>	<u>(53,200)</u>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>19,910</b>	<b>(42,361)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u><b>236,272</b></u>	<u><b>278,633</b></u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u><b>256,182</b></u></u>	<u><u><b>236,272</b></u></u>

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(40,709)	3,647
Adjustments for:		
Depreciation charges	38,027	35,873
Interest on loan	15,422	19,387
Decrease/(increase) in debtors	38,879	(11,187)
Increase/(decrease) in creditors	<u>6,607</u>	<u>(13,210)</u>
<b>Net cash provided by operations</b>	<u><b>58,226</b></u>	<u><b>34,510</b></u>

**2. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.20 £	Cash flow £	At 31.12.20 £
<b>Net cash</b>			
Cash at bank	<u>236,272</u>	<u>19,910</u>	<u>256,182</u>
	<u>236,272</u>	<u>19,910</u>	<u>256,182</u>
<b>Debt</b>			
Debts falling due within 1 year	(24,836)	575	(24,261)
Debts falling due after 1 year	<u>(540,218)</u>	<u>17,673</u>	<u>(522,545)</u>
	<u>(565,054)</u>	<u>18,248</u>	<u>(546,806)</u>
<b>Total</b>	<u><b>(328,782)</b></u>	<u><b>38,158</b></u>	<u><b>(290,624)</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. ACCOUNTING POLICIES**

**BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements of the charity, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

**INCOME**

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

Building Fund income received in 2006 from Hertfordshire County Council is treated as a grant in the charity's books, although in form it is prepaid rental for the use of part of the Early Years Centre by the Heath Lane Nursery. In the directors' opinion the substance of the receipt is that it is a grant which is not repayable in the foreseeable future.

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Other rechargeable expenses represent the share of operating costs recovered from Heath Lane Nursery and other users of the charity's facilities.

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in other expenditure.

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor of the terms of the appeal have specified otherwise.

The charity has received no donations in kind during the period.

Interest received is accounted for when received. Any tax recoverable relating to interest income is accounted for in the same period as the related income.

**VOLUNTEERS**

The value of volunteers' time is not included in the accounts but is described in the Directors' Report.

**EXPENDITURE**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

The charity made no redundancy payments during the reporting period.

The charity has creditors which are measured at settlement amounts less any trade discounts.



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. ACCOUNTING POLICIES - continued**

**TANGIBLE FIXED ASSETS**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	-	in accordance with estimated useful life of the property
Fixtures and fittings	-	20% on cost
Office equipment	-	20% on cost

**CHANGE IN ACCOUNTING POLICY**

We have changed the property type from Freehold to Leasehold, as we have wrongly shown as Freehold property in the previous year. There is no change in the accounting treatment of property as it's the error in the description of property.

**TAXATION**

The Company has been granted charitable status and is therefore not liable to corporation tax on income insofar as income is either not taxable under general principles or is specifically exempted by statute.

**FUND ACCOUNTING**

The Unrestricted Funds represent the unrestricted income which is expendable at the discretion of the directors in the furtherance of the objects of the charity. Such funds can be held in order to finance both working capital and capital resources. Designated Funds are set up where the directors consider it prudent to provide reserves for special purposes.

Restricted Funds are set up where donors specify the purposes for which their donations can be used and expenditure in respect of these purposes is specifically allocated to these funds.

**RESERVES**

The directors have considered the level of reserves they wish to retain, appropriate to the charity's needs and described this in the Directors' Report. This is based on the charity's size and the level of its financial commitments. The directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The directors will endeavour not to set aside funds unnecessarily.

**2. DONATIONS AND LEGACIES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gifts	<b>2,500</b>	6,000
Donations	<b>12,478</b>	31,733
Other grants and income	<b>315,757</b>	213,014
Fundraising activities	<b><u>5,506</u></b>	<u>1,759</u>
	<b><u>336,241</u></b>	<u>252,506</u>

**3. OTHER TRADING ACTIVITIES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Facility hire and rental income	<b>202</b>	15,928
Other rechargeable income	<b>5,013</b>	11,042
Fundraising activities	<b><u>47</u></b>	<u>77</u>
	<b><u>5,262</u></b>	<u>27,047</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**4. INVESTMENT INCOME**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Interest received	<u><b>787</b></u>	<u><b>906</b></u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Facility hire and rental income	<b>59,130</b>	130,894
Service charge	<b>12,000</b>	12,000
Fees paid	<u><b>36,843</b></u>	<u><b>38,191</b></u>
	<u><b>107,973</b></u>	<u><b>181,085</b></u>

**6. CHARITABLE ACTIVITIES COSTS**

	<b>Direct Costs</b>
	<b>£</b>
Charitable Activities	<u><b>490,972</b></u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no Directors' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

The aggregate value of donations received from Directors or parties related to the Director's during the year was £4,390 (2019 - £15,550)

Parties connected to various Directors are employed by the company and received remuneration for services rendered to the company, as authorised by Clause 5 (b) of the Memorandum of Association.

Brian Boggis's wife, Dolly Boggis (staff member of South Hill Centre); his son-in-law, Jeremy Keeley (Centre Development and Operations Manager); his daughter, Naomi Keeley (Finance Assistant of South Hill Centre), his granddaughter Brodie Keeley (Caretaking Assistant); his son-in-law Neil Harden (BBO Lite Learning Mentor) and Sandy Boswell's wife, Mary Boswell (staff member of Young Discoverers) and Matthew Masters nephew, Samuel Hancock (Caretaking Assistant).

They received the following emoluments and employers NI contributions:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>76,058</b>	64,500
Employers NI contributions	<u><b>5,481</b></u>	<u><b>4,967</b></u>
	<u><b>81,539</b></u>	<u><b>69,467</b></u>

Directors were reimbursed for out of pocket expenses incurred in connection with the running of the company. All such expenses are subject to the same internal controls as any other expenditure.

**TRUSTEES' EXPENSES**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**8. STAFF COSTS**

	2020	2019
	£	£
Wages and salaries	274,635	257,079
Employers NI contributions	<u>10,843</u>	<u>10,340</u>
	<u><u>285,478</u></u>	<u><u>267,419</u></u>

No employees received emoluments in excess of £60,000.

The average monthly number of employees during the year was as follows:

2020	2019
<u>28</u>	<u>26</u>

The total amount paid to key management personnel (including trustees and senior management) for their services to the charity totalled £63,968 (2019 - £61,560).

**9. NET INCOMING RESOURCES FOR THE YEAR**

This is stated after charging	2020	2019
	£	£
Depreciation	38,027	35,873
Independent Examiner's remuneration	<u>1,200</u>	<u>1,200</u>

**10. TANGIBLE FIXED ASSETS**

	Leasehold property £	Fixtures and fittings £	Office equipment £	Totals £
<b>Cost</b>				
At 1 January 2020	1,995,586	98,353	17,642	2,111,581
Additions	<u>-</u>	<u>3,416</u>	<u>1,230</u>	<u>4,646</u>
At 31 December 2020	<u>1,995,586</u>	<u>101,769</u>	<u>18,872</u>	<u>2,116,227</u>
<b>Depreciation</b>				
At 1 January 2020	308,677	66,770	10,431	385,878
Charge for year	<u>26,178</u>	<u>9,712</u>	<u>2,137</u>	<u>38,027</u>
At 31 December 2020	<u>334,855</u>	<u>76,482</u>	<u>12,568</u>	<u>423,905</u>
<b>Net book value</b>				
At 31 December 2020	<u><u>1,660,731</u></u>	<u><u>25,287</u></u>	<u><u>6,304</u></u>	<u><u>1,692,322</u></u>
At 31 December 2019	<u>1,686,909</u>	<u>31,583</u>	<u>7,211</u>	<u>1,725,703</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>119</b>	38,985
Other debtors	<b>1,071</b>	737
VAT	<b>357</b>	704
Prepayments and accrued income	<b>324</b>	324
	<b><u>1,871</u></b>	<b><u>40,750</u></b>

**12. CASH AT BANK**

	<b>General funds</b>	<b>Restricted funds</b>	<b>2020 Total funds</b>	<b>2019 Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Santander Current Account	124,511	2,830	<b>127,341</b>	108,145
Deposit Accounts	76,913	-	<b>76,913</b>	76,388
Santander Instant reserve	51,925	-	<b>51,925</b>	51,736
YD petty cash	<u>3</u>	<u>-</u>	<u>3</u>	<u>3</u>
Total	<b><u>253,352</u></b>	<b><u>2,830</u></b>	<b><u>256,182</u></b>	<b><u>236,272</u></b>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 15)	<b>24,261</b>	24,836
Trade creditors	<b>166</b>	803
Other creditors	<b>1,359</b>	1,001
Accruals and deferred income	<b>44,840</b>	49,954
Accrued expenses	<b>1,513</b>	1,513
	<b><u>72,139</u></b>	<b><u>78,107</u></b>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans (see note 15)	<b><u>522,545</u></b>	<b><u>540,218</u></b>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**15. LOANS**

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year on demand:		
Bank loans	<u>24,261</u>	<u>24,836</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>24,891</u>	<u>25,643</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>78,623</u>	<u>82,038</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 years by instalments	419,031	432,537

**16. PROVISIONS FOR LIABILITIES**

	2020 £	2019 £
Redundancy pay provision	<u>12,000</u>	<u>-</u>

**17. MOVEMENT IN FUNDS**

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General funds	312,300	(26,923)	(1,601)	283,776
<b>Restricted funds</b>				
Restricted funds	1,072,100	(13,786)	1,601	1,059,915
<b>TOTAL FUNDS</b>	<u>1,384,400</u>	<u>(40,709)</u>	<u>-</u>	<u>1,343,691</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General funds	169,781	(196,704)	(26,923)
<b>Restricted funds</b>			
Restricted funds	280,482	(294,268)	(13,786)
<b>TOTAL FUNDS</b>	<u>450,263</u>	<u>(490,972)</u>	<u>(40,709)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**17. MOVEMENT IN FUNDS - continued**

	<b>At 1.1.19 £</b>	<b>Net movement in funds £</b>	<b>Transfers between funds £</b>	<b>At 31.12.19 £</b>
<b>Unrestricted funds</b>				
General funds	284,371	31,715	(3,786)	312,300
<b>Restricted funds</b>				
Restricted funds	1,096,382	(28,068)	3,786	1,072,100
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>1,380,753</u>	<u>3,647</u>	<u>-</u>	<u>1,384,400</u>

Comparative net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>			
General funds	231,184	(199,469)	31,715
<b>Restricted funds</b>			
Restricted funds	230,360	(258,428)	(28,068)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>461,544</u>	<u>(457,897)</u>	<u>3,647</u>

A current year 12 months and prior year 12 months combined position is as follows:

	<b>At 1.1.19 £</b>	<b>Net movement in funds £</b>	<b>Transfers between funds £</b>	<b>At 31.12.20 £</b>
<b>Unrestricted funds</b>				
General funds	284,371	4,792	(5,387)	283,776
<b>Restricted funds</b>				
Restricted funds	1,096,382	(41,854)	5,387	1,059,915
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>1,380,753</u>	<u>(37,062)</u>	<u>-</u>	<u>1,343,691</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**17. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>			
General funds	400,965	(396,173)	4,792
<b>Restricted funds</b>			
Restricted funds	510,842	(522,696)	(41,854)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>911,807</u>	<u>(948,869)</u>	<u>(37,062)</u>

**18. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2020.

**19. OTHER DISCLOSURE ISSUES**

The charity does not have any commitments not provided for in the accounts.

The charity has not given any guarantees.

The charity has not received any loans secured on any of its assets other than disclosed in Note 14 & 15 above.

At the year end the charity did not have any contingent liabilities.

**20. RISK ASSESSMENT**

The Directors are aware of the need to properly manage and mitigate the risks faced by the company. Details of how the charity has achieved this are provided in the Directors' Report. The directors confirm that they have paid due regard to the Charity Commission guidance on risk assessment when adopting and implementing policies for the charity

**21. PUBLIC BENEFIT**

The charity acknowledges its requirements to demonstrate clearly that it must have charitable purposes or "aims" that are for the public benefit. Details of how the charity has achieved this are provided in the Directors' Report. The directors confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.

**22. DECLARATIONS**

Sufficient resources are held in appropriate form to enable each fund to be applied in accordance with any restrictions imposed.

The trustees have not changed the year end date nor length of the charity's financial year.

The charity did not make any material ex-gratia payments during the year.

None of the charity's fixed assets have been revalued during the year.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Gifts	2,500	6,000
Donations	12,478	31,733
Other grants and income	315,757	213,014
Fundraising activities	<u>5,506</u>	<u>1,759</u>
	336,241	252,506
<b>Other trading activities</b>		
Facility hire and rental income	202	15,928
Other rechargeable income	5,013	11,042
Fundraising activities	<u>47</u>	<u>77</u>
	5,262	27,047
<b>Investment income</b>		
Interest received	787	906
<b>Charitable activities</b>		
Fees paid	36,843	38,191
Facility hire and rental income	59,130	130,894
Service charge	<u>12,000</u>	<u>12,000</u>
	<u>107,973</u>	<u>181,085</u>
<b>Total incoming resources</b>	450,263	461,544
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	285,478	267,419
Rent and rates	1,462	4,347
Insurance	6,253	6,276
Photocopier	1,024	1,330
Accountancy fees	9,164	12,099
Cleaning and maintenance	8,852	9,095
Staff costs and training	1,332	2,284
Operating costs	96,273	92,926
Utilities	7,360	6,375
Travelling	28	255
Computer expenses	1,402	734
Carried forward	418,628	403,140



**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Charitable activities</b>		
Brought forward	<b>418,628</b>	403,140
YD- Service charge	<b>12,000</b>	12,000
Redundancy pay	<b>12,000</b>	-
Pension	<b>10,317</b>	6,884
Freehold property	<b>26,178</b>	26,170
Fixtures and fittings	<b>9,712</b>	8,030
Office equipment	<b><u>2,137</u></b>	<u>1,673</u>
	<b><u>490,972</u></b>	<u>457,897</u>
 Total resources expended	 <b><u>490,972</u></b>	 <u>457,897</u>
 <b>Net (expenditure)/income</b>	 <b><u>(40,709)</u></b>	 <u>3,647</u>