

REGISTERED CHARITY NUMBER: 1102820
REGISTERED COMPANY NUMBER: 05046531

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
SOUTH HILL CENTRE**

SOUTH HILL CENTRE

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Page |
|---|-----------------|
| Company Information | 1 |
| Report of the Directors | 2 to 8 |
| Independent Examiner's Report | 9 |
| Statement of Financial Activities | 10 |
| Statement of Financial Position | 11 |
| Statement of Cash Flows | 12 |
| Notes to the Statement of Cash Flows | 13 |
| Notes to the Financial Statements | 14 to 23 |
| Detailed Statement of Financial Activities | 24 to 25 |

SOUTH HILL CENTRE

COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023

Registered Charity number

1102820

Registered Company number

05046531

Principal address

Cemetery Hill
Hemel Hempstead
Hertfordshire
HP1 1JF

Directors

Mr R G Oakes (Chairman)
Mr B L Boggis
Mr P J Mann (resigned 11th March 2024)
Mrs K S McKerrell (appointed 14th June 2023)
Mr S R Moh (appointed 20th April 2023)
Mr G D Wright

Independent Examiner

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

Solicitors

Pothecary Witham Weld
84 Eccleston Square
Pimlico
London
SW1V 1PX

Bankers

Santander UK PLC
PO Box 1125
Bradford
BD1 9PG

Accountants

Acuity Professional Partnership LLP
Unit 2.02 High Weald House,
Glovers End, Bexhill
East Sussex, United Kingdom
TN39 5ES

SOUTH HILL CENTRE

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors present their report and the financial statements of the Company for the year ended 31st December 2023.

Constitution and Governance

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

The Company is established under a Memorandum of Association incorporated on 17th February 2004 as amended by special resolution dated 18th November 2012 which sets out its objects and powers. It is governed under its Articles of Association. 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:

B L Boggis

P J Mann (to 11th March 2024)

K S McKerrell (from 14th June 2023)

S R Moh (from 20th April 2023)

R G Oakes (Chair)

G D Wright

Peter Mann has resigned following a change of circumstances, which is sad because he was a valuable member of the team.

Each Director 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. We are pleased that Theresa Cartwright continues to manage Young Discoverers very effectively.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2023**

OBJECTIVES AND ACTIVITIES

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

Main Objectives for 2023

The main objectives for 2023 and their achievement are set out in the table below:

| OBJECTIVES | ACHIEVEMENTS |
|--|---|
| 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 continue 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. | This objective is one which we retain from year to year. It has been at the forefront of our minds since the Pandemic. |
| Explore with some of our partners further services we can offer to some of the most vulnerable in the community. | This has continued throughout the year and we have increased our support to those who are most vulnerable. |
| Ensure the continued viability of our Young Discoverers Pre-school (YD). | YD provides care for all categories of children within the appropriate age groups. Our manager is focussing on meeting the appropriate standards as required by Ofsted from a secure professional base. She is also ensuring that appropriate support is given to more vulnerable children. |
| To generate hire income from those activities which are in line with our objectives. | Organisations are having to reconsider their hiring expenditure as the economy continues to struggle but we have been able to maintain our hire income during 2023. We value the support of those who help fund our services. |
| The review of the responsibilities of some of our senior staff has enabled us to strengthen our service offering and our administration. | This objective is being followed through satisfactorily. |

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Aims and Objectives for the Public Benefit (Continued)

Operations

2023 was a strong year for the charity's operations. The Centre continued to provide on-going services to the local community and strengthened its partnerships with other organisations to deliver much needed services to some of the hardest to reach and most in need, as the 'Cost of Living' crisis took hold. Services focussed on encouraging the physical and mental wellbeing of those whom we support.

The Centre continued to deliver services to support the most vulnerable in the community. This included employment support through the Road 2 Employment project, in partnership with Herts County Council and other County based providers. This replaced the STRIVE project and aimed 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 run its 'Hemel Hempstead Employability and Wellbeing Hub'. These drop-in sessions are every Tuesday and Friday and act as a 'front door' to all services that the Centre offers. They are supported by several local organisations including Turning Point Complex Needs team; Care Grow Live (addiction support); Christians Against Poverty (Budgeting support); Job Centre Plus and local employers and community groups. The hub welcomed an average of 100 clients through its doors at each session. Support offered included: CV writing, career development, addiction support, housing support; business awareness, confidence building, wellbeing support and a number of basic and more advanced IT/Maths/English courses. The Hub also provided support for those with physical disabilities and those with other significant barriers to employment (drug/alcohol abuse; mental health; homelessness; criminal record; partial sightedness etc.). The Hub incorporated the 'Dacorum Healthy Hub' and, working with Dacorum Borough Council, promoted general wellbeing through the services that this offered. It also provided a 'warm / cool space', offering free food and refreshments to some of the hardest to reach over the winter / summer periods.

The Hub continued to act as the engagement Centre in Dacorum for the 'Multiply' project. This project was funded by Step 2 Skills, Herts County Council on behalf of the Department of Education. The aim of the project is to focus on everyday numeracy and re-engage individuals who may be lacking in confidence with maths and/or have not achieved numeracy qualifications in the past. Working with several other partners across the County, South Hill Centre engaged several hundred individuals and shared best practice with other hubs being set up around the County.

In response to increasing needs locally from Asylum Seekers and Refugees in 2023, the Centre continued to develop its activity 'SHC International', and sought funding from Herts Community Foundation and Herts County Council to support the development of this. Working alongside other organisations, such as Herts Welcomes Refugees, Reed in Partnership, Herts MIND network ('Flourish' programme) the operations of the Hub on Tuesday afternoons adapted to focus on international clients - offering free ESOL provision, alongside guidance on navigating systems and processes that they needed to follow.

A strong relationship continued to develop with the local displaced Ukrainian Community and funding was provided to support several one-off community events. It resulted in the development of a new regular activity on Saturday mornings for Ukrainian children to learn about their native land.

Young Discoverers (YD), our charity run pre-school which operates in the Early Years Centre (EYC) building, has remained open throughout the year, offering term time sessions. Its pre-school sessions and nursery class is spread over 5 days each week and take-up continues to be high. YD maintains its Ofsted rating of "Good". Theresa Cartwright continues as Manager of YD and has focused on challenges faced, particularly staffing levels during this difficult year. She is responsible to the Directors for the effective running of the Pre-School.

Squealers, our carers and toddlers group, which now provides 1 session per week to some 10-20 toddlers, continued to operate successfully; as did Table Talk Plus, a luncheon club, which meets on the first Thursday of each month with over 40 clients at each session.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Aims and Objectives for the Public Benefit (Continued)

During this period the Centre continued 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 Abuse. 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 continued to be supported by the Batchworth Trust.

In order to connect with some of the neediest people in the area, the Centre continues 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 as the impact of the 'Cost of Living' crisis was felt.

The Centre continued to host the Hemel Morning Deaf Group and provided links with Herts Vision Loss and 'Talking Newspapers group' to support individuals impacted by these disabilities in the local area. Support groups from these organisations attended the Centre on a regular basis.

By the end of 2023 the Centre saw a further growth in the demand from other charitable and socially focussed organisations to hire Centre facilities. Hirers included: Step 2 Skills; Whizz-Kidz (wheelchair clinics); Carers in Herts; NHS Wellbeing Teams; Dacorum Borough Council; Hertfordshire County Council; Playfeet Theatre Company; Home Start Dacorum; Read in Partnership; Shaw Trust; Rock Choir; Jupiter Choir; London Show Choir; Hart Learning (part of North Herts College); Free 2 Learn; Community Action Dacorum; 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.

The charity's facilities continued to be used by South Hill Church for weddings, funerals, Sunday services and other Christian activities. Over Christmas the charity ran its third successful Christmas Carol event, which saw members of a local choir sing outside the building to encourage the local neighbours to join in and receive some Christmas cheer. This event was supported by the Romanian community who share use of the Centre building on Sundays.

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. 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 2024

The main objectives for 2024 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.
- Explore with some of our partners further services we can offer to some of the most vulnerable in the community to meet the ever changing needs of the local population.
- Explore alternative funding opportunities following the anticipated end of large contracts in March 2025.
- Generate hire income from those activities which are in line with our objectives.
- Ensure the continued viability of our Young Discoverers

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2023**

FINANCIAL REVIEW

The Centre has a brought forward surplus of £1,364,873 and the deficit of incoming resources for the year was £7,596. The remaining surplus balance of £1,357,277 will be carried forward to the next year. The total income for the year was £487,847 (2022: £527,691).

Young Discovers is self-funding by way of local authority grants, fees received and fundraising activities. Grants of £130,660 (2022: £115,969) and student fees of £35,164 (2022: £28,295) were received in the year.

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 £6,600 (2022: £7,290).

The total expenditure for the year was £495,443 (2022: £497,092) all of which was spent on charitable activities and governance costs.

At the year end, the Company had net assets of £1,357,277 (2022: £1,364,873) represented by unrestricted funds of £259,074 (2022: £254,380) and restricted funds of £1,098,203 (2022: £1,110,493). All grants received from the local authority to the preschool 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 £53,297 (Capital repayment of £17,701 and interest £35,596) during the period through the Centre's normal monthly payments.

The Directors are aware of the limits provided by the Financial Services Compensation Scheme and are seeking alternative secure deposit arrangements for some of the funds currently held by Santander.

The Directors would like to thank Aneena Kuku and her 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 2023.

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 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

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. 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 2023**

STATEMENT OF TRUSTEES' 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.

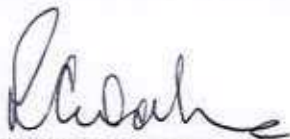
Related parties

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.

Approved by order of the board of directors on 28th September 2024 and signed on its behalf by:



Mr R G Oakes - Chairman

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SOUTH HILL CENTRE

I report to the trustees on my examination of the accounts of the South Hill Centre for the year ended 31st December 2022.

Responsibilities and basis of report

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

Independent examiner's statement

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

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

- accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- 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
- 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.



J Irvin Smith
Fellow of the Association of Charity Independent Examiners

Independent Examiners Ltd
Unit 2 The Broadbridge Business Centre
Delling Lane
Bosham, West Sussex
UNITED KINGDOM
PO18 8NF

Date: 25th September 2024

SOUTH HILL CENTRE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | | Unrestricted fund £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|------------------------------------|-------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| | Notes | | | | |
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 2 | 128,407 | 136,092 | 264,499 | 358,283 |
| Charitable activities | 5 | | | | |
| Rental Income | | 168,984 | 15,000 | 183,984 | 135,883 |
| Activity fees | | 20,379 | 14,785 | 35,164 | 28,295 |
| Other trading activities | 3 | 1,900 | 158 | 2,058 | 5,081 |
| Investment income | 4 | 2,142 | - | 2,142 | 149 |
| Total | | 321,812 | 166,035 | 487,847 | 527,691 |
| EXPENDITURE ON | | | | | |
| Charitable activities | 6 | | | | |
| Charitable Activities | | 317,118 | 178,325 | 495,443 | 497,092 |
| NET INCOME/(EXPENDITURE) | | 4,694 | (12,290) | (7,596) | 30,599 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | 254,380 | 1,110,493 | 1,364,873 | 1,334,274 |
| TOTAL FUNDS CARRIED FORWARD | | 259,074 | 1,098,203 | 1,357,277 | 1,364,873 |

The notes form part of these financial statements

SOUTH HILL CENTRE

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | Notes | 2023 £ | 2022 £ |
|---|-------|-----------------|----------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | I | 38,089 | 51,993 |
| Net cash provided by operating activities | | 38,089 | 51,993 |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (5,084) | (6,175) |
| Net cash used in investing activities | | (5,084) | (6,175) |
| Cash flows from financing activities | | | |
| Loan repayments in year | | (53,297) | (47,125) |
| Net cash used in financing activities | | (53,297) | (47,125) |
| Change in cash and cash equivalents in the reporting period | | (20,292) | (1,307) |
| Cash and cash equivalents at the beginning of the reporting period | | 279,310 | 280,617 |
| Cash and cash equivalents at the end of the reporting period | | 259,018 | 279,310 |

The notes form part of these financial statements

SOUTH HILL CENTRE

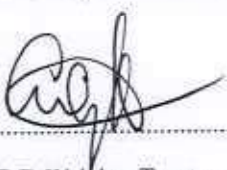
STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2023

| | Notes | Unrestricted fund £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|--|-------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | 12,814 | 1,582,196 | 1,595,010 | 1,624,520 |
| CURRENT ASSETS | | | | | |
| Debtors | 11 | 22,491 | - | 22,491 | 12,020 |
| Cash at bank | 12 | 248,298 | 10,720 | 259,018 | 279,310 |
| | | 270,789 | 10,720 | 281,509 | 291,330 |
| CREDITORS | | | | | |
| Amounts falling due within one year | 13 | (24,529) | (18,982) | (43,511) | (67,546) |
| NET CURRENT ASSETS | | 246,260 | (8,262) | 237,998 | 223,784 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 259,074 | 1,573,934 | 1,833,008 | 1,848,304 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 14 | - | (460,731) | (460,731) | (471,431) |
| PROVISIONS FOR LIABILITIES | 16 | - | (15,000) | (15,000) | (12,000) |
| NET ASSETS | | 259,074 | 1,098,203 | 1,357,277 | 1,364,873 |
| FUNDS | 17 | | | | |
| Unrestricted funds | | | | 259,074 | 254,380 |
| Restricted funds | | | | 1,098,203 | 1,110,493 |
| TOTAL FUNDS | | | | 1,357,277 | 1,364,873 |

For the financial year ended 31st December 2023, the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the yearended 31st December 2023 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 companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23rd September 2024 and were signed on its behalf by:



Mr G D Wright - Trustee

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

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

| | 2023 | 2022 |
|--|---------------|---------------|
| | £ | £ |
| Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities) | (7,596) | 30,599 |
| Adjustments for: | | |
| Depreciation charges | 34,593 | 36,264 |
| Interest on loan | 35,596 | 20,678 |
| (Increase)/decrease in debtors | (10,471) | 90 |
| Decrease in creditors | (14,033) | (35,638) |
| Net cash provided by operations | 38,089 | 51,993 |

2. ANALYSIS OF CHANGES IN NET DEBT

| | At 1.1.23 | Cash flow | At 31.12.23 |
|---------------------------------|------------------|----------------|------------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank | 279,310 | (20,292) | 259,018 |
| | 279,310 | (20,292) | 259,018 |
| Debt | | | |
| Debts falling due within 1 year | (24,702) | 7,002 | (17,700) |
| Debts falling due after 1 year | (471,431) | 10,700 | (460,731) |
| | (496,133) | 17,702 | (478,431) |
| Total | (216,823) | (2,590) | (219,413) |

The notes form part of these financial statements

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 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.

If the charity has deferred income, it includes such income in the current year and shows the amounts released from deferred income in previous accounting periods separately.

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.

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

1. ACCOUNTING POLICIES - continued

EXPENDITURE

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

TANGIBLE FIXED ASSETS

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

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

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

| | 2023 | 2022 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Gifts | 1,750 | 250 |
| Donations | 12,442 | 11,225 |
| Other grants and income | 247,771 | 344,539 |
| Gift aid tax claim | 2,536 | 2,269 |
| | <u>264,499</u> | <u>358,283</u> |

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

3. OTHER TRADING ACTIVITIES

| | 2023 | 2022 |
|---------------------------|--------------|--------------|
| | £ | £ |
| Other income | 1,414 | 2,428 |
| Other rechargeable income | 556 | 2,367 |
| Fundraising activities | 88 | 286 |
| | <u>2,058</u> | <u>5,081</u> |

4. INVESTMENT INCOME

| | 2023 | 2022 |
|-------------------|--------------|------------|
| | £ | £ |
| Interest received | <u>2,142</u> | <u>149</u> |

5. INCOME FROM CHARITABLE ACTIVITIES

| | Activity | 2023 | 2022 |
|---------------------------------|---------------|----------------|----------------|
| | | £ | £ |
| Facility hire and rental income | Rental Income | 168,984 | 120,883 |
| Service charge | Rental Income | 15,000 | 15,000 |
| Fees paid | Activity fees | 35,164 | 28,295 |
| | | <u>219,148</u> | <u>164,178</u> |

6. CHARITABLE ACTIVITIES COSTS

| | Direct Costs |
|-----------------------|----------------|
| | £ |
| Charitable Activities | <u>495,443</u> |

7. TRUSTEES' REMUNERATION AND BENEFITS

There was no Directors' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

The aggregate value of donations received from Directors or parties related to the Director's during the year was £4,300 (2022 - £5,100)

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.

Those employed during the year and related to Directors are Brian Boggis's son-in-law, Jeremy Keeley (Centre Development and Operations Manager); his daughter, Naomi Keeley (Finance Assistant of South Hill Centre), his daughter Sorrel Harden (Receptionist/Caretaker); his granddaughter Farah Harden (Caretaking Assistant) and his son-in-law Neil Harden (SHC Learning Mentor).

They received the following emoluments and employers NI contributions:

| | 2022 | 2022 |
|----------------------------|--------------|--------------|
| | £ | £ |
| Wages and salaries | 73,117 | 83,718 |
| Employers NI contributions | <u>6,848</u> | <u>8,225</u> |

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

7. TRUSTEES' REMUNERATION AND BENEFITS - continued

| | |
|---------------|---------------|
| <u>79,965</u> | <u>91,944</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 2023 nor for the year ended 31 December 2022.

8. STAFF COSTS

| | 2023 | 2022 |
|----------------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 245,450 | 272,581 |
| Employers NI contributions | 10,559 | 14,690 |
| Pensions contributions | 9,901 | 10,430 |
| | <u>265,910</u> | <u>297,701</u> |

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

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

| 2023 | 2022 |
|-----------|-----------|
| <u>23</u> | <u>22</u> |

The total amount paid to key management personnel (including trustees and senior management) for their services to the charity totalled £88,788 (2022 - £81,850).

9. NET INCOMING RESOURCES FOR THE YEAR

| | | |
|-------------------------------------|--------------|--------------|
| This is stated after charging | 2023 | 2022 |
| | £ | £ |
| Depreciation | 34,594 | 36,264 |
| Independent Examiner's remuneration | <u>1,260</u> | <u>1,230</u> |

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

10. TANGIBLE FIXED ASSETS

| | Freehold property £ | Fixtures and fittings £ | Office equipment £ | Totals £ |
|-----------------------|---------------------------|----------------------------------|--------------------------|-------------|
| Cost | | | | |
| At 1 January 2023 | 1,995,586 | 105,994 | 20,822 | 2,122,402 |
| Additions | - | 5,084 | - | 5,084 |
| At 31 December 2023 | 1,995,586 | 111,078 | 20,822 | 2,127,486 |
| Depreciation | | | | |
| At 1 January 2023 | 387,211 | 94,050 | 16,621 | 497,882 |
| Charge for year | 26,179 | 6,628 | 1,787 | 34,594 |
| At 31 December 2023 | 413,390 | 100,678 | 18,408 | 532,476 |
| Net book value | | | | |
| At 31 December 2023 | 1,582,196 | 10,400 | 2,414 | 1,595,010 |
| At 31 December 2022 | 1,608,375 | 11,944 | 4,201 | 1,624,520 |

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 £ | 2022 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 16,528 | 11,016 |
| Other debtors | 623 | 779 |
| VAT | 1,168 | 225 |
| Prepayments and accrued income | 4,172 | - |
| | 22,491 | 12,020 |

12. CASH AT BANK

| | General funds £ | BBO Project £ | Young Discoverers £ | 2023 Total funds £ | 2022 Total funds £ |
|--------------------------|-----------------------|------------------|---------------------------|-----------------------------|-----------------------------|
| Deposit Accounts | 78,256 | - | - | 78,256 | 77,580 |
| Santander Instantreserve | 52,433 | - | - | 52,433 | 51,974 |
| YD petty cash | 3 | - | - | 3 | 3 |
| Bank deposit account | 117,606 | 9,363 | 1,357 | 128,326 | 149,753 |
| Total | 248,298 | 9,363 | 1,357 | 259,018 | 279,310 |

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

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|---|---------------|---------------|
| | £ | £ |
| Bank loans and overdrafts (see note 15) | 17,700 | 24,702 |
| Trade creditors | 4,052 | 3,158 |
| Other creditors | 1,439 | 1,357 |
| Accruals and deferred income | 19,155 | 37,304 |
| Accrued expenses | 1,165 | 1,025 |
| | <u>43,511</u> | <u>67,546</u> |

DEFERRED INCOME

| | Amount(£) |
|--|-----------|
| Deferred income brought forward 01/01/23 | 37,304 |
| Utilise in the year | (37,304) |
| Receipts in 2023, deferred to 2024 | 19,155 |
| Deferred income held as at 31/12/23 | 19,155 |

There are performance-relating conditions that govern the amount of income that can be recognised at a given point in time.

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

| | 2023 | 2022 |
|--------------------------|----------------|----------------|
| | £ | £ |
| Bank loans (see note 15) | <u>460,731</u> | <u>471,431</u> |

15. LOANS

An analysis of the maturity of loans is given below:

| | 2023 | 2022 |
|---|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Bank loans | <u>17,700</u> | <u>24,702</u> |
| Amounts falling between one and two years: | | |
| Bank loans - 1-2 years | <u>17,700</u> | <u>24,702</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>53,100</u> | <u>74,108</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments: | | |
| Bank loans more 5 yr by instal | 389,931 | 372,621 |

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

16. PROVISIONS FOR LIABILITIES

| | 2023 £ | 2022 £ |
|--------------------------|-----------|-----------|
| Redundancy pay provision | 15,000 | 12,000 |

17. MOVEMENT IN FUNDS

| | At 1.1.23 £ | Net movement in funds £ | At 31.12.23 £ |
|---------------------------|------------------|----------------------------------|---------------------|
| Unrestricted funds | | | |
| General funds | 254,380 | 4,694 | 259,074 |
| Restricted funds | | | |
| BBO Project | 105,551 | 5,432 | 110,983 |
| Building fund | 1,012,041 | (26,178) | 985,863 |
| Young Discoverers | (7,099) | 8,456 | 1,357 |
| | 1,110,493 | (12,290) | 1,098,203 |
| TOTAL FUNDS | 1,364,873 | (7,596) | 1,357,277 |

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General funds | 321,812 | (317,118) | 4,694 |
| Restricted funds | | | |
| BBO Project | 5,432 | - | 5,432 |
| Building fund | - | (26,178) | (26,178) |
| Young Discoverers | 160,603 | (152,147) | 8,456 |
| | 166,035 | (178,325) | (12,290) |
| TOTAL FUNDS | 487,847 | (495,443) | (7,596) |

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

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1.1.22 £ | Net movement in funds £ | Transfers between funds £ | At 31.12.22 £ |
|---------------------------|------------------|----------------------------------|------------------------------------|---------------------|
| Unrestricted funds | | | | |
| General funds | 263,915 | 58,688 | (68,223) | 254,380 |
| Restricted funds | | | | |
| BBO Project | 36,144 | 18,247 | 51,160 | 105,551 |
| Building fund | 1,034,215 | (26,158) | 3,985 | 1,012,042 |
| Young Discoverers | - | (20,178) | 13,078 | (7,100) |
| | <u>1,070,359</u> | <u>(28,089)</u> | <u>68,223</u> | <u>1,110,493</u> |
| TOTAL FUNDS | <u>1,334,274</u> | <u>30,599</u> | <u>-</u> | <u>1,364,873</u> |

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General funds | 262,788 | (204,100) | 58,688 |
| Restricted funds | | | |
| BBO Project | 141,307 | (123,060) | 18,247 |
| Building fund | 6,308 | (32,466) | (26,158) |
| Young Discoverers | 117,288 | (137,466) | (20,178) |
| | <u>264,903</u> | <u>(292,992)</u> | <u>(28,089)</u> |
| TOTAL FUNDS | <u>527,691</u> | <u>(497,092)</u> | <u>30,599</u> |

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

17. MOVEMENT IN FUNDS - continued

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

| | At 1.1.22 31.12.23 | Net movement in funds | Transfers between funds | At |
|---------------------------|-------------------------------|--------------------------------------|--|------------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General funds | 263,915 | 63,382 | (68,223) | 259,074 |
| Restricted funds | | | | |
| BBO Project | 36,144 | 23,679 | 51,160 | 110,983 |
| Building fund | 1,034,215 | (52,336) | 3,985 | 985,864 |
| Young Discoverers | - | (11,722) | 13,078 | 1,356 |
| | <u>1,070,359</u> | <u>(40,379)</u> | <u>68,223</u> | <u>1,098,203</u> |
| TOTAL FUNDS | <u>1,334,274</u> | <u>23,003</u> | <u>-</u> | <u>1,357,277</u> |

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

| | Incoming resources | Resources expended | Movement in funds |
|---------------------------|-------------------------------|-------------------------------|------------------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General funds | 584,600 | (521,218) | 63,382 |
| Restricted funds | | | |
| BBO Project | 146,739 | (123,060) | 23,679 |
| Building fund | 6,308 | (58,644) | (52,336) |
| Young Discoverers | 277,891 | (289,613) | (11,722) |
| | <u>430,938</u> | <u>(471,317)</u> | <u>(40,379)</u> |
| TOTAL FUNDS | <u>1,015,538</u> | <u>(992,535)</u> | <u>23,003</u> |

The Young Discoverers fund represents funds received and expended for our charity run pre-school.
 Building fund represents funds received and expended for the purchase renovation and maintenance of building.
 BBO fund represents funds relating to a specific Herts County Council 'Building Better Opportunities' project offering employment support to local individuals.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

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.

SOUTH HILL CENTRE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 £ | 2022 £ |
|---------------------------------|----------------|----------------|
| INCOME AND ENDOWMENTS | | |
| Donations and legacies | | |
| Gifts | 1,750 | 250 |
| Donations | 12,442 | 11,225 |
| Other grants and income | 247,771 | 344,539 |
| Gift aid tax claim | 2,536 | 2,269 |
| | 264,499 | 358,283 |
| Other trading activities | | |
| Other income | 1,414 | 2,428 |
| Other rechargeable income | 556 | 2,367 |
| Fundraising activities | 88 | 286 |
| | 2,058 | 5,081 |
| Investment income | | |
| Interest received | 2,142 | 149 |
| Charitable activities | | |
| Fees paid | 35,164 | 28,295 |
| Facility hire and rental income | 168,984 | 120,883 |
| Service charge | 15,000 | 15,000 |
| | 219,148 | 164,178 |
| Total incoming resources | 487,847 | 527,691 |
| EXPENDITURE | | |
| Charitable activities | | |
| Wages | 256,009 | 287,271 |
| Rent and rates | 4,372 | 8,216 |
| Insurance | 7,767 | 7,398 |
| Photocopier | 1,187 | 1,390 |
| Accountancy fees | 9,320 | 8,959 |
| Cleaning and maintenance | 16,358 | 12,665 |
| Staff costs and training | 2,039 | 2,252 |
| Operating costs | 50,118 | 38,534 |
| Utilities | 12,383 | 9,508 |
| Travelling | - | 6 |
| Computer expenses | 1,284 | 2,382 |
| Carried forward | 360,837 | 378,581 |

This page does not form part of the statutory financial statements

SOUTH HILL CENTRE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | 2022 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Charitable activities | | |
| Brought forward | 360,837 | 378,581 |
| YD- Service charge | 15,000 | 15,000 |
| Redundancy pay | 3,000 | - |
| Pension | 9,901 | 10,429 |
| Bank loan interest | 35,596 | 20,678 |
| Organisers remuneration | 36,516 | 36,140 |
| Depreciation-freehold property | 26,178 | 26,178 |
| Depreciation-fixtures fittings | 6,046 | 8,267 |
| Depreciation-office equipment | 2,369 | 1,819 |
| | 495,443 | 497,092 |
| Total resources expended | 495,443 | 497,092 |
| Net(expenditure)/income | (7,596) | 30,599 |

This page does not form part of the statutory financial statements

