

Charity registration number: 1105649

Hastings and St Leonards Foreshore Charitable Trust

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Hastings and St Leonards Foreshore Charitable Trust

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Hastings and St Leonards Foreshore Charitable Trust

Reference and Administrative Details

Chairman	Councillor Tony Collins
Trustee	Hastings Borough Council
Other Officers	<p>Councillor Trevor Webb, Committee Chair <i>(Appointed 20th May 2021 - Retired 24th May 2022)</i></p> <p>Councillor Ali Roark, Committee Chair <i>(Appointed 25th May 2022 - Retired 20th October 2022)</i></p> <p>Councillor John Cannan, Committee Chair <i>(Appointed 21st October 2022 - Retired 18th January 2024)</i></p> <p>Councillor Ali Roark, Committee Chair <i>(Appointed 19th January 2024 - Retired 22nd May 2024)</i></p> <p>Councillor Judy Rogers, Committee Member <i>(Appointed 16 May 2018 - Retired 24th January 2024)</i></p> <p>Councillor Andy Batsford, Committee Member <i>(Appointed 10 July 2017 - Retired 24th January 2024)</i></p> <p>Councillor Julia Hilton, Committee Member <i>(Appointed 24th January 2024)</i></p> <p>Councillor Glenn Haffenden, Committee Member <i>(Appointed 24th January 2024)</i></p>
Bankers	<p>Lloyds Bank 17 Wellington Place Hastings TN31 1NX</p>
Auditor	<p>Manningtons Statutory Auditor 39 High Street Battle, East Sussex TN33 0EE</p>
Protector	<p>James W Cook FCA (Appointed 20th March 2020) The Cottage Rushlake Green Heathfield East Sussex TN21 9QH</p>
Charity Registration Number	1105649

Hastings and St Leonards Foreshore Charitable Trust

Trustee's Report

The Trustee presents the annual report together with the financial statements and auditors' report of the charity for the year ended 31 March 2023.

Structure Governance and Management

Overview

The governing documents of the Charity are a conveyance from the Crown to Hastings Corporation dated 8 September 1893 and Charity Commission Scheme ref. no, 981/1011 made on 13 January 2011 (the 2011 Scheme).

The 1893 Conveyance provides that the length of foreshore between Ecclesbourne Glen and Grosvenor Gardens shall be held for the common use, benefit and enjoyment of Her Majesty's subjects and the public generally forever. Later conveyances in 1925, 1933 and 1934 conveyed the remainder of the foreshore to the Hastings Corporation on the same Trusts.

The Hastings Borough Council Act 1988 varies the Trust to permit certain uses on delineated areas of land and for the Council to charge for that use, whether provided by the Council itself or by another on the Council's behalf.

The 2011 Scheme extended the objects of the Charity to include such charitable purposes within the Borough of Hastings as the Trustee thinks fit.

The 2011 Scheme had the effect of revoking the Charity Commission Scheme dated 22 March 2006 which appointed independent Trustees and Council nominated Trustees and appointed Hastings Borough Council as the Trustee for all purposes. This report is prepared by the Trustee as required under the 2011 Scheme.

Significant changes

Councillor Ali Roark was appointed to the position of Chair on 25th May 2022 and retired on 20th October 2022. Councillor John Cannan was appointed to the position of Chair on 21st October 2022

Governance

i) The Trustee

Hastings Borough Council is a principal local authority established under the Local Government Act 1972 and, as such, has corporate status.

As a local authority, the Trustee acts through decisions of elected members and delegations to committees, sub-committees and officers. The Local Government Act 2000 introduced executive decision making and the legislation provided for a split between decisions which are reserved to the Council, to the Executive or according to local choice. Where the function in question is not reserved to Council or a local choice function, the default provision in the legislation is that the function and decision-making relating to it are the preserve of the executive.

Hastings and St Leonards Foreshore Charitable Trust

Trustee's Report

This represents the position regarding the Council's function or power to administer charities, that is to say that the administration of charities is an executive function and so only the Cabinet, a committee of Cabinet or officers acting under delegations from Cabinet are legally competent to make decisions relating to the Charity. This means that for the Foreshore Trust, the Council as Trustee, acts through the Charity Committee of Cabinet.

ii) The Protector

When considering the request of the former independent Trustees to appoint the Council as Trustee, the Commission was concerned regarding the potential conflict of interest between the Council's position as charitable Trustee and as local authority and how to address this. Part of the solution was the requirement in the 2011 Scheme for the appointment of a Protector, who is required to be a qualified accountant.

Christopher May, MA, FCA, who was appointed as first Protector completed his third term as Protector on March 19th 2020 and James Cook, FCA was appointed as the New Protector effective from March 20th 2020. The role of the Protector is essentially to act as whistle blower and watchdog against the Council acting in breach of trust and to guard against situations where a conflict of interest is not being managed properly. As a chartered accountant he is equipped to scrutinise the Council's charity accounts. The Protector is required to report any matters of serious concern to the Charity Commission and must prepare an annual report on his activities for inclusion in the Charity's Annual Report.

Consultation

The 2011 Scheme makes provision for consultation in two areas of the Charity's operation. Namely:-

- (i) Coastal Users' Group: The Trustee is required to consult with and have regard to the recommendations of the Coastal Users' Group (CUG) in relation to certain matters, namely:-
- the standards or specifications for the maintenance of the charity's land.
 - the Charity's policy relating to events and activities to be held on the Charity's land and any event/activity outside that policy.
 - the Charity's policy relating to the exercise of any power under the Hastings Borough Council Act 1988 or otherwise to manage, let sell or otherwise dispose of the Charity's property, and
 - the exercise of the powers under the previous bullet otherwise than in accordance with the agreed policy.

The CUG was an existing consultative group set up by the Council as local authority to consult with interested parties in relation to matters affecting the front line of the Council's area. It became the Coastal Advisory Group as required by the 2011 Scheme after adopting a formal constitution and rules for membership in early 2011. The minutes of its meetings, in so far as they relate to Foreshore Trust matters, are included in the reports submitted to each Charity Committee meeting. The CUG meets before each Charity Committee meeting (four times a year) to consider and comment on reports being submitted to the Charity Committee. The CUG is consulted each time the Foreshore Trust Business Plan is revised.

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Trustee's Report

(ii) Grant Advisory Panel

The object to distribute surpluses, after meeting the costs of administering the Charity and managing its assets, including the repair and insurance of its land and buildings, through grants for charitable purposes in the Borough, are subject to consultation with the Grant Advisory Panel. The 2011 Scheme provides that consultation is to take place concerning the grant criteria, grant processes and grant determinations. The Grants Advisory Panel successfully concluded the process of the 2022/2023 year's round of grant making, resulting in the award of grants totalling £270.2k (£89,2k in Small grants & £181k in large grants).

The following grants were awarded

Small Grants

Counselling Plus	£6,000
FSN	£5,933
Hastings & Rother Interfaith Forum	£1,200
A Town Explores a Book (ATEAB)	£4,260
Hastings Furniture Service (HFS)	£6,000
7th Hastings Scouts	£3,850
Hastings & St Leonards Voluntary Lifeguards	£2,422
Hastings Storytelling Festival	£5,180
Barefoot Opera	£6,000
Energise Sussex Coast	£3,800
Soundcastle	£1,000
Education training consortium Sussex (ETC)	£6,000
Hastings Community Trust	£6,000
Hastings & Rother YMCA	£5,883
Karmabank	£5,800
Hastings Advice and Representation Centre (HARC)	£6,000
Seaview	£6,000
XTRAX	£1,600
Ennataus	£4,850
Umbrella Sussex	£2,863

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Trustee's Report

Large Grants

Change Grow Live (CGL)	£22,299
Citizens Advice 1066	£42,108
Hastings Advice & Representation Centre	£42,108
Hastings Voluntary Action (HVA)	£35,755
The Links Project (HVA)	£11,140
The Seaview Project	£28,000

Delegation to Officers

At its first meeting on 25 January 2011, the Charity Committee agreed a Scheme of Delegation to Officers. From the 1 April 2012 the Scheme of Delegations has required amending, replacing the Chief Executive with an appropriate Director and his/her nominee as a result of a senior management restructure. The new Scheme of Delegations follows the pattern of the Council's Scheme of Delegations to Officers, in that the appropriate Director or their duly authorised nominee is authorised within the plan and budget agreed by the Charity Committee to undertake the day to day operation and management of the Charity. The authority is general and subject to certain exceptions including the disposal of land, use of the Charity's land for events outside of the agreed policy, grants for charitable purposes and specification for and the award of contracts affecting the Charity, which are all subject to consultation and then the decision of the Charity Committee. The Scheme of Delegation emphasises that the Directors or their nominees acting under the delegations must be mindful that they are acting on behalf of the Charity and not the Council and ensure that at all times they act in the best interests of the Charity.

The officers authorised for most purposes affecting the Charity's Day to day operation and management are:-

- Victoria Conheady, Assistant Director Regeneration and Culture.
- Kit Wheeler, Chief Finance Officer.
- Amy Terry, Property and Commercial Assets Manager
- Mary Kilner is the Monitoring Officer and the Chief Legal Officer, and is also the Authorised Signatory on behalf of the Charity

In case of actual or potential conflict of interest for officers, independent advisors are instructed on behalf of the Charity e.g. surveyors.

Training and Induction for the Trustee

Training is provided for members and officers covering training on the history of the Trust, the constitutional documentation of the Trust and how to put those into effect.

Training has been offered to all members of the Council to raise awareness and to keep them advised.

Hastings and St Leonards Foreshore Charitable Trust

Trustee's Report

Risk Management

The charity maintains a risk register and formally reviews this on an annual basis when determining the reserves policy. Initially this identified the key financial risks facing the Trust but continues to be developed to include the identification of all significant risks (it also includes the identification of relevant controls to mitigate and responsibilities).

Objectives

The 2011 Scheme states the objects of the Charity to be:-

- (i) to hold and maintain the charity's land for the objects set out in the trusts of the Charity, namely for the common use, benefit and enjoyment of all Her Majesty's subjects and of the public for the time being forever; and
- (ii) subject to (i) above, such charitable purposes within the area of the Borough of Hastings as the Trustee thinks fit.

The Scheme expressly provides that income and capital are first to be applied in meeting the proper costs of administering the Charity and of managing its assets including the repair and insurance of its land and buildings. After payment of these costs, the Trustee must apply the remaining income in furthering the objects of the Charity.

Achievements and Performance

This was the tenth full financial year for the Council as Trustee of the Foreshore Trust. The Charity met four times during the year and the main business was:

- The delivery of the Trust's new rolling five-year Business Plan.
- Management of small and events grants (up to £5,000) to local charitable organisations; Round 4 was launched in Oct 2020 for April 2021 start. Round 5 was launched in Oct 2021 for April 2022 start. The Large Grant programme was launched in 2020 for April 2021 until March 2024.
- Agreement of the budget for 2023/24 and financial report.

Car Parks

The Foreshore Trust derives its income mainly from car parking and property leases/licences, the former income stream being quite variable.

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Trustee's Report

Grounds Maintenance

There are no significant changes to the foreshore grounds maintenance contract. For the Trust, the annual cost of seafront grounds maintenance has reduced. The ground maintenance contract has been operated by Idverde since 2016. The refreshed business plan will include revised management arrangements for seafront landscaping.

The Stade

Stade Hall is now operated by the East Sussex College Group – their plans for the building includes commercial lettings and activities, adult education for community partners project and advanced learners project, offering ‘level 3’ bespoke fish mongering, butchery and patisserie courses.

The college had also agreed to a significant community element working with Hastings Voluntary Action to promote volunteering opportunities for long term unemployed, working with Billingsgate seafood training school and the Foreshore Trust to develop a programme with school involvement to promote sea food cooking; linking with community partners; and offering employability skills, and apprenticeship qualifications, at Stade Hall.

Stade open space

This area continues to be used both as a public open space and an events venue.

Promenade and Beach

Lifeguard Service

As a result of the success of the pilot, at the charity committee meeting on 11th December 2017 the committee agreed unanimously to enter into a three-year contract with the RNLI to provide the Hastings lifeguard service.

A number of ‘tweaks’ were made to the service following the pilot, including earlier starts at all three sites - Pelham, Pier, and Marina. 2020 was the third full year of the three-year contract, and on 29th March 2021 the charity committee agreed to enter into a further three-year contract with the RNLI for the RNLI to provide lifeguarding services at Hastings, for the 2021 -2023 (inclusive) seasons.

Quality Coast Award/Blue Flag status

The council continued to achieve the Seaside Award for Pelham beach, and the combined Blue Flag and Seaside Award for Marina beach.

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Trustee's Report

Public Benefit

The objects of the Charity clearly state that the Foreshore is to be held for the benefit of Her Majesty's subjects and the public generally forever. Where the land is beach and beach alone, the objects are achieved by ensuring that the public have free and safe access to the Foreshore. However, maintaining land in proper condition has a cost and the Charity requires an income to meet its expenditure. The Hastings Borough Council Act 1988 varied the original Trusts' to permit certain uses on defined areas of the Trust's land. For example, paid parking was permissible at Rock-a-Nore Car Park and at Pelham Car Park and leisure facilities were permitted in the Stade area.

These variations to the Trust powers enabled the generation of income to meet the costs of maintaining the Foreshore. The uses permitted under the Act, however, are seen as complementary to the Trust objects and the Trustee will exercise its powers under the Act to satisfy the requirement for the benefit of the public.

So far as is possible and subject to the uses permitted under the Act, the aim of the Trustees is that the Foreshore should be accessible by all members of the public who wish to visit it. At the same time, part of the Foreshore is a working beach and so health and safety considerations apply.

The 2011 Scheme included a new object to distribute surpluses as grants for charitable purposes within the Borough of Hastings. There have been seven rounds of small grants the first of which took place in 2011/12. Grants for events on Foreshore Land commenced in 2013/14 and have been repeated annually.

The Trustee has indicated a willingness to undertake further capital works to assets if financially sustainable, which conform to the Trust's objects.

There will be different views on how the public benefit is best achieved and the Charity Committee will continue to consult with the Coastal Users' Group on proposals for the future of the Foreshore and specifications and standards of maintenance and with the Grant Advisory Panel on the grant criteria and grants processes.

In addition, whilst the Council undertook the role as Trustee from January 2011, it has been operating and managing the Foreshore and its assets without interruption over many years. The operations include:

- keeping the Charity's land safe and clean;
- operating the Charity's car parks;
- managing its tenanted premises;
- arranging and facilitating events on the Foreshore;
- undertaking routine maintenance and repair.

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Trustee's Report

Financial Review

The annual accounts are attached to this report and, once again, have received an unqualified audit opinion by external auditors. The Trust's main sources of income remain that of car parking fees and charges and rental income from property. The expenditure that the Trust incurs is as a result of providing the car parks e.g. operating costs, and the costs of maintaining and developing the foreshore

	2022/23	2021/22
	£	£
CCLA Investment Management	1,765,259	1,728,902
Lloyds Bank (the Trust's Bank Account)	546	574

The following table compares the major elements of the budget to the actual income and expenditure for the financial year:-

Hastings and St Leonards Foreshore Charitable Trust

Trustee's Report

Statement of Financial Activities

	Budget 2022-23	Actual Outturn 2022-23
	£'000	£'000
Incoming Resources		
Investment Income	6	36
Incoming resources from Charitable activities	1,350	1,294
Rental income	222	258
Total incoming resources	1,578	1,588
Resources Expended		
Loan repayments	33	33
Charitable Activities* (excluding Capital charges)	1,045	1,006
Maintenance projects and cyclical repairs	128	60
Governance costs	154	105
Total resources expended	1,360	1,204
Total Operating Surplus/(Deficit)	218	383
Small / Event Grants	90	90
Large Grants	182	182
Projects**	45	51
Surplus/(Deficit)	(99)	60

The surplus before grants and reserve funded items and capital charges was £383,000.

The overall outturn position was a surplus of £60,278 and capital charges of £73,491.

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Trustee's Report

Future Expenditure Plans 2023/24 and Beyond

In line with the approved Business plan, expenditure on major Projects and Other Expenditure will continue in 2023/24 and will result in an overall surplus for the year, estimating an overall Surplus of £7,000.

Future business plan projects commencing in 2022/23 include surfacing works to footpaths and playground areas, White Rock Promenade rationalization of timber seating, benches & waste bins. Kiosk decking and landscaping adjacent to boating lake.

The 2022/23 budget identified spend on projects and other expenditure amounting to some £172,500. £127,500 of this spend is on cyclical repairs and maintenance and £25,000 is programmed spend, financed from Reserves. The areas of spend are as follows:-

- £24,000 – Car Park Maintenance and repairs (Lighting, barriers, cleaning gullies and re-surfacing).
- £20,000 – White Rock Promenade timber seating, benches and waste bins.
- £15,000 – Maintenance of Play areas and equipment.
- £12,000 – Contingency Budget for emergency Repairs
- £10,000 – White Rock Baths external decoration
- £ 6,000 – Maintenance of Public Conveniences
- £ 25,000 – Project Work Contingency

The current business plan, includes the following for Projects and Other Expenditure for the years 2022/23 to 2024/25 is shown over the page:-

PROPERTY	DESCRIPTION OF WORK	2022-23	2023-24	2024-25	Total
		Budget	ESTIMATE	ESTIMATE	ESTIMATE
		£'000	£'000	£'000	£'000
Beach - Other	Other repairs and renewals beachfront area	12	0	12	24
Car Parks - Polham	Maintenance	6	5	0	11
Car Parks Rock a Nore	Maintenance	6	7	5	18
Chalets - White Rock & Marina	Maintenance	2	0	1	3
Cycle Hire Hut	Main walls - external redecoration	0	1	0	1
Cycle Hire Hut	Roofs - routine re-felling	0	1	1	2
Polham Place Car Park	Tarmac surfacing - routine minor maintenance	0	0	2	2
Polham Place Car Park	Clean out car park drainage gullies and channels	1	1	0	2
Polham Place Car Park	Parking bay road markings - re-application	0	0	0	0
Polham Place Car Park	Traffic speed humps - repair / replacement	0	5	4	9
Polham Place Car Park	Vehicle height barrier at entrance	3	3	3	9
Rock A Nore	Access Control Systems	0	5	0	5
Polham Place Car Park	Car park lighting columns - maintain LED lamps	1	1	1	3
Polham Place Car Park	Car park information and direction signage	0	0	1	1
Polham Place Public Conveniences	Main walls - external redecorations	0	0	3	3
Polham Place Public Conveniences	Interior - internal redecorations	0	0	1	1
Polham Plays (nalled MUCA)	Replacement of roof netting system	0	10	0	10

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Pollham Playground	Repair of play proprietary play equipment	2	3	3	8
Play Areas and Exercise Equipment	Maintenance of equipment	15	0	0	15
Play Hire Huts (Former Life Guards' Huts)	Roofs - routine re-felling	0	2	0	2
Promenade Adult Exercise Equipment	Replacement / repair of equipment	0	2	0	2
Promenade Finger Posts	Redecoration and repair	1	1	0	1
Public Conveniences	Maintenance	6	0	0	6
Rock-a-Nore Car Park - Hard Surfaced	Clean out car park drainage gullies and channels	1	0	1	2
Rock-a-Nore Car Park - Hard Surfaced	Repair and replacement of metal bollards	0	2	0	2
Rock-a-Nore Car Park - Hard Surfaced	Vehicle height barrier at car park entrance	3	3	3	9
Rock-a-Nore Car Park - Hard Surfaced	Car park lighting columns - maintain LED lamps	1	1	1	2
Rock-a-Nore Car Park - Hard Surfaced	Car park information and direction signage	0	0	1	1
Rock-a-Nore Car Park - Loose Surface	Scarfing and fill pot holes in loose surface finish	5	12	5	22
Rock-a-Nore Car Park - Loose Surface	Replacement of damaged timber bollards	0	1	0	1
Rock-a-Nore Car Park - Loose Surface	Repair timber kerb baulks to south boundary	0	0	2	2
Rock-a-Nore Car Park - Loose Surface	Replace timber kerb baulks to south boundary	5	0	0	5
Stade and Stade Kitchen	Maintenance	3	2	0	5
Stade Barriers	Annual maintenance	2	0	0	2
Stade Open Space	Drainage gully clearance	1	1	1	2
Stade Open Space	Bench redecoration and remove shingle build up	3	0	0	3
Stade Open Space	Automatic bollard and banner replacement	0	0	10	10
Stade Public Conveniences	Interior spaces - internal redecoration	6	0	0	6
White Rock Baths	External redecoration/ Building maintenance	10	0	0	10
White Rock Baths - Lower Basement	Additional pump hire if above adopted.	8	8	8	24
White Rock Baths - Lower Basement	Sewage tank and pump set - maintenance	1	1	1	2
White Rock Baths - Main and Small Hall Level	Further protection of interior spaces from water ingress with use of plastic sheeting at high level and internal guttering where new ingress occurs.	4	5	0	9
White Rock Baths - Promenade Level	Main central entrance superstructure and lightwell upper and lower walls - external redecoration (inc. White Rock Community Hub frontage)	15	0	0	15
White Rock Beach Chalets	Timber walk - external redecoration	5	0	0	5
White Rock Promenade - Timber Kiosk Decking	Timber decking and ramps around kiosk -minor repairs	0	1	0	1
White Rock Promenade (FST owned area only)	Timber seating, benches, waste bins, & planters - repairs and maintenance.	1	0	0	1
Winch Road	Maintenance & lighting	2	0	2	4
Total of Cyclical Repairs and Redecorations		128	81	70	278
Projects (main programme)					
White Rock Promenade (FST owned area only)	Rationalisation of timber seating, benches and waste bins.*	20	0	0	20
Contingency	Project Work Contingency	25	0	25	50
Total Projects - Main Programme		46	0	26	70
TOTAL PROGRAMME		173	81	96	348

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Trustee's Report

Cost of Professional Advice

Professional advisor fees (including Protector's fees) - £80,942 (2021/22 £69,437). Auditors/Accountants - £ 13,616 (2021/22 £11,250).

Trustee Expenses and Emoluments

There were no Trustee expenses charged to the Trust in 2022/23 (2021/22 nil).

A special responsibility allowance of £6,858 (2021/22 £6,945) was paid to the Chair of the Charity Committee and this is shown as Governance costs in the accounts.

Reserves Policy

The policy is reviewed periodically to take account of changes in the future plans of the Trust and perceived risks. The last review was 24 September 2018 and there have been no significant changes since this date which require a change to the policy. Reserves are maintained for a variety of reasons and the main points of the Policy are reproduced below.

- a) £100,000 is to be retained for an unforeseen emergency or other unexpected need. This amount is arrived at after considering risks and how much might be needed for such contingencies; this involves judgment of events that may occur and their likelihood.
- b) Expenditure budget - a small contingency fund to meet unforeseen operational costs. The expenditure budget is some £1.2m. It is suggested that a 10% contingency (say £100,000) be retained for unexpected and unforeseen operational expenditure.
- c) Uncertainty over future income. Most well run organisations retain reserves equivalent to a number of weeks or months of equivalent income to allow time to develop new sources of income or to cut-back on related expenditure. Potential significant loss of income could result from a downturn in economic activity or an increase in fuel costs resulting in fewer tourists, a major disaster in the area, bad weather, pollution incident, or loss of reputation e.g. bathing water deterioration, etc. It is recommended that the equivalent of 6 months income be retained to cater for this risk which would amount to around £700,000.
- d) Planned spending commitments which cannot be met from future income would imply a need for a specific sum to be set aside, often this amount will be included within designations in the accounts. Given the predicted surplus for each year there is scope to include some of the recurring planned expenditure within the annual budget. There are higher cost initiatives e.g. resurfacing of car parks, roadways etc., that will necessitate identification and retention of significant sums within the accounts.
- e) Cash Flow – organisations require a working balance to cover 'troughs' in the cash budget. Based on the financial year the cash flow is expected to be positive throughout the year i.e. income generated should exceed expenditure. Where significant one off expenditure is incurred e.g. resurfacing, use of reserves would be used to cover any shortfalls. As such no sum is set aside for this specific purpose – especially given the sums detailed above (a to d).
- f) In summary the Reserves to be retained amount to :-

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Trustee's Report

Ref.	Risk Area/ Designated Funds	Amount (£)
a)	Unforeseen emergency/event	100,000
b)	Unforeseen operational costs/contingency	100,000
c)	Uncertainty on Income streams	700,000
	Total	900,000

Plus Planned Spending Commitments e.g. repairs and other initiatives identified within the business plan.

The total funds of the Trust, of which the above form a part, amount to £2,563,851 (2021/22 £2,503,573). The financing of the main programme is dependent upon achieving annual surpluses on the trust's main activities, given the level of Reserves being retained.

Plans for the Future

The Charity Committee looks to review its Business Plan on a regular basis to take account of known variations in resources and new opportunities and commitments. Subject to the Scheme's predetermination that meeting the cost of the administration and the repair and maintenance of its existing assets is the first priority; this will involve consideration of proposals for enhancing income generation and/or reducing operating expenditure as well as providing better facilities and attractions for the public benefit.

The current business plan will be reviewed and updated to present at the end of the 2024/25 financial year.

Accountants, Auditors and Bankers

The Trust has been grateful for the excellent work of Manningtons (Auditors) in carrying out the audit of the Trust's accounts.

The Trust's monies are managed by the Council. The bankers are Lloyds Bank, which is the same as the Council with separate bank accounts. The Council's comprehensive Treasury Management and Investment Policy requirements equally apply when dealing with Trust monies.

Concluding Remarks

The Trust continues to concentrate efforts on ensuring a secure and viable future for the Trust, especially in terms of maintaining and improving its assets, managing its available resources for the long term benefit of the community, and also in the distribution of grants to the benefit of the Community - as resources permit.

Statement of Responsibilities

The trustee is responsible for preparing the trustee's report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Hastings and St Leonards Foreshore Charitable Trust

Trustee's Report

The law applicable to charities requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustee is required to:

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

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

The trustee has taken steps that it ought to have taken as a member in order to make itself aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustee confirms that there is no relevant information that is known of and of which they know the auditor is unaware.

The annual report is signed on behalf of the trustee by:

.....

Councillor Tony Collins

Chair of Charity Committee

Hastings and St Leonards Foreshore Charitable Trust

Protector's Report 2022/23

This is my third full Annual Report as Protector of The Hastings and St Leonards Foreshore Charitable Trust ("Foreshore Trust") since my appointment on 20th March 2020.

The rules of the Foreshore Trust call for the appointment of a Protector to safeguard the proper management of this charitable trust and, in particular, the resolution of any conflicts of interest that may arise from time to time between Hastings Borough Council ("HBC") acting as Trustee of the charity and HBC acting in its capacity as local authority. To this end, the rules provide that the general duty of the Protector is "to ensure the integrity of the administration of the charity", in other words to act as a watchdog over the activities of HBC's Charity Committee in managing the affairs of the Foreshore Trust.

- (1) I have attended all meetings of the Charity Committee.
- (2) Under the constitution of the Foreshore Trust the Trustee must consult two advisory bodies: (1) a nominated consultative and advisory group (currently the Coastal Users' Group - "CUG") in relation to major foreshore management issues, and (2) the Grants Advisory Panel ("GAP") which deals with the detailed process of recommending grants to be made by the Trustee under powers given in the Scheme. The Protector is entitled to attend the meetings of these groups and I have attended all meetings of the CUG and also those of the Charity Planning Committee which discusses the recommendations of the GAP
- (3) Following the extension of the Trust's charitable activities, having ceased to make contributions under the Community Partnership Fund as from April 2021, The Foreshore Trust has extended its establishment of a "Large Grant Programme" with charitable objectives similar in many respects to those of the Community Partnership Fund. The new programme has resulted in the award of grants totaling £270.2k in 2022/23, made up of £89.2k in small grants and £181k in large grants. A similar total sum will be committed in the two subsequent years. Members of the Charity Committee and senior HBC officers have been at pains to ensure that:
 - (a) The activities of the Large Grant Programme are genuinely charitable in nature;
 - (b) Grant recommendations to the members of the Charity Committee will be made by the GAP, not by the HBC officers previously responsible for making Community Partnership Fund recommendations, though they are available in an advisory capacity to the GAP;
 - (c) Procedures have been introduced to ensure that all eligible applications are placed before the GAP, and any applications considered ineligible by HBC staff members are reported to and considered by the GAP;
 - (d) Potential conflicts of interest issues will continue to be properly addressed and resolved - these might relate to Charity Committee or GAP members with personal involvement with particular charities.
- (4) During the period to which this report relates, I have been satisfied as Protector that the Trustee (HBC), acting through its Charity Committee, has satisfactorily ensured the integrity of the administration of the affairs of the Foreshore Trust, as required by the current Scheme of constitution.

Hastings and St Leonards Foreshore Charitable Trust

Following these developments, the Charity Commission was requested for a minor amendment to the 2011 Scheme to allow for the appointment of two extra members of the GAP to cope with the extra work load, and this was granted and implemented

James W Cook FCA

Protector

..... 2025

Hastings and St Leonards Foreshore Charitable Trust

Independent Auditor's Report to the Members of Hastings and St Leonards Foreshore Charitable Trust

Opinion

We have audited the financial statements of Hastings and St Leonards Foreshore Charitable Trust (the 'charity') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

Basis for qualified opinion on financial statements

We were unable to obtain sufficient audit evidence pertaining to the source data of transactions of Hastings and St Leonards Foreshore Charitable Trust at 31 March 2023. All bookkeeping is maintained in-house by Hastings Borough Council (HBC) and apportionment of various costs and income are based on actual ownership of land by the Charity. The income and expenditure is managed by HBC and is transacted via their bank accounts.

We are able to verify all rents due, grants received, interest received and review the other income streams for expectation and reasonableness. Similarly we are able to verify related costs, however all evidence provided is in the name of HBC and not of the charity.

HBC has not issued final accounts for the year ending 31st March 2023 and has not had an audit completed. Therefore no comfort can be obtained from their published accounts for the same period.

Qualified opinion on the financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Hastings and St Leonards Foreshore Charitable Trust

Independent Auditor's Report to the Members of Hastings and St Leonards Foreshore Charitable Trust

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Hastings and St Leonards Foreshore Charitable Trust

Independent Auditor's Report to the Members of Hastings and St Leonards Foreshore Charitable Trust

Responsibilities of trustee

As explained more fully in the Statement of Trustee Responsibilities [set out on page], the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Hastings and St Leonards Foreshore Charitable Trust

Independent Auditor's Report to the Members of Hastings and St Leonards Foreshore Charitable Trust

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The detection of fraud and irregularities is a primary consideration of the audit planning and is carried through to the audit completion stage. A risk assessment and preliminary analytical review is undertaken at the planning stage and areas of concern are then built into the audit strategy and testing to ensure sufficient procedures and evidence is obtained to give comfort that material irregularities and potential instances of fraud are detected where possible.

The audit team is briefed regarding any areas of concern, the potential audit risks and consequential impact. The audit team remained vigilant throughout their work and made enquiries of key management personnel throughout.

Key management were consulted on any known or suspected breaches in laws and regulations along with misappropriation of funds at both the planning and completion stages of the audit. Due consideration was given to the possible use of management override and this was built into our audit strategy.

The purpose of the preliminary analytical review of the financial statements is to highlight any possible areas of concern to investigate whether the variance is expected or unexpected, based on the information obtained as part of the planning process and the current climate the charity is operating under. Relevant audit tests had then been planned to obtain supporting documentation to ensure that they are within the charitable objectives and no misappropriation of funds by way of fraud, or misstatements. Latest accounts disclosure checklists available are also completed to ensure the accounts comply with the latest reporting framework that is applicable to the charity.

There are aspects of the audit which are deliberately unpredictable to assist in the detection of irregularities, such as varying how we test items which are more susceptible to fraud, year on year and by incorporating systematic sampling over the populations tested.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Hastings and St Leonards Foreshore Charitable Trust

Independent Auditor's Report to the Members of Hastings and St Leonards Foreshore Charitable Trust

Use of our report

This report is made solely to the charity trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustee those matters we are required to state to trustee in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustee as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Manningtons, Statutory Auditor

39 High Street
Battle, East Sussex
TN33 0EE

Date:.....

Manningtons is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Hastings and St Leonards Foreshore Charitable Trust

Statement of Financial Activities for the Year Ended 31 March 2023

	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Charitable activities	2	1,551,556	1,551,556
Investment income	3	<u>36,358</u>	<u>36,358</u>
Total Income		<u>1,587,914</u>	<u>1,587,914</u>
Expenditure on:			
Charitable activities	4	(1,422,531)	(1,422,531)
Governance costs	5	<u>(105,105)</u>	<u>(105,105)</u>
Total Expenditure		<u>(1,527,636)</u>	<u>(1,527,636)</u>
Net movement in funds		60,278	60,278
Reconciliation of funds			
Total funds brought forward		<u>2,503,573</u>	<u>2,503,573</u>
Total funds carried forward	14	<u>2,563,851</u>	<u>2,563,851</u>
	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
Charitable activities	2	1,290,791	1,290,791
Investment income	3	<u>735</u>	<u>735</u>
Total Income		<u>1,291,526</u>	<u>1,291,526</u>
Expenditure on:			
Charitable activities	4	(1,362,270)	(1,362,270)
Governance costs	5	<u>(118,578)</u>	<u>(118,578)</u>
Total Expenditure		<u>(1,480,848)</u>	<u>(1,480,848)</u>
Net movement in funds		(189,322)	(189,322)
Reconciliation of funds			
Total funds brought forward		<u>2,692,895</u>	<u>2,692,895</u>
Total funds carried forward	14	<u>2,503,573</u>	<u>2,503,573</u>

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

The notes on pages 26 to 38 form an integral part of these financial statements.

Hastings and St Leonards Foreshore Charitable Trust

(Registration number: 1105649)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	1,012,460	1,085,951
Current assets			
Cash at bank and in hand	11	1,765,804	1,729,476
Creditors: Amounts falling due within one year	12	<u>(150,381)</u>	<u>(216,592)</u>
Net current assets		<u>1,615,423</u>	<u>1,512,884</u>
Total assets less current liabilities		2,627,883	2,598,835
Creditors: Amounts falling due after more than one year	13	<u>(64,032)</u>	<u>(95,262)</u>
Net assets		<u>2,563,851</u>	<u>2,503,573</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>2,563,851</u>	<u>2,503,573</u>
Total funds	14	<u>2,563,851</u>	<u>2,503,573</u>

The financial statements on pages 23 to 38 were approved by the trustee, and authorised for issue on
and signed on their behalf by:

.....
Councillor Tony Collins
Chairman

The notes on pages 26 to 38 form an integral part of these financial statements.

Hastings and St Leonards Foreshore Charitable Trust

Cash Flow Statement for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income/(expenditure)		60,278	(189,322)
Adjustments to cash flows from non-cash items			
Depreciation		73,491	73,491
Investment income	3	<u>(36,358)</u>	<u>(735)</u>
		97,411	(116,566)
Working capital adjustments			
(Decrease)/increase in creditors	12	<u>(66,723)</u>	<u>146,751</u>
Net cash flows from operating activities		30,688	30,185
Cash flows from investing activities			
Interest receivable and similar income	3	36,358	735
Cash flows from financing activities			
Repayment of loans and borrowings	12	<u>(30,718)</u>	<u>(30,215)</u>
Net increase in cash and cash equivalents		36,328	705
Cash and cash equivalents at 1 April		<u>1,729,476</u>	<u>1,728,771</u>
Cash and cash equivalents at 31 March		<u><u>1,765,804</u></u>	<u><u>1,729,476</u></u>

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

The notes on pages 26 to 38 form an integral part of these financial statements.

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Hastings and St Leonards Foreshore Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern.

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies (continued)

Judgements

As outlined in Note 16, Hastings Borough Council acts as the sole trustee for the Hastings and St Leonards Foreshore Charitable Trust. The scheme is so constituted as to prevent the Council from obtaining any benefit from the Trust's activities and no group accounts are produced. Further details of the transactions with the Council are given in Note 16.

The Statement of Accounts contains estimated figures that are based on assumptions made by the Trust about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

Key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as the effect of the elements, maintenance programmes and past experience are taken into account. The carrying amount is £1,012,460 (2022 -£1,085,951).

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

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

Investment income

Investment income is recognised on a receivable basis.

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies (continued)

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant expenditure

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies (continued)

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The land comprising the foreshore of Hastings and St Leonards was sold to the Trust by the Crown in September 1893 for £400 and subsequent purchases between 1925 and 1934 for a further £630. No valuation of this land has ever been carried out and it is recorded at cost. Land valued at £95,000 was acquired in 2010 as part of a land swap with Hastings Borough Council. Additional expenditure of £119,490 in 2013 represents the cost of creating additional car parking spaces within the Pelham Place car park. This is being depreciated over 15 years, being the estimated time before re-surfacing becomes necessary. The trustee is of the opinion that the open market value is materially in excess of the carrying value of the land.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
Land	not depreciated
Pelham Place car park additional spaces	over 15 years straight line
White Rock Baths	over 50 years straight line
Winch Road Upgrade	over 15 years straight line
Plant and equipment	over 5 and 15 years straight line

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies (continued)

Research and development

Research and development expenditure is written off as incurred.

Debtors

Are amounts due from Hastings Borough Council for settlement of expenditure incurred by the Trust that is to be repaid and is recognised initially at the transaction price. A provision for the impairment of it will be established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

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

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

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies (continued)

Staff and pension schemes

The charity has no employees but is charged the relevant portion of those undertaking work in pursuance of the charity's objectives. These are employed by Hastings Borough Council and have the choice of being in the relevant defined benefit local government pension scheme.

2 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Car parking	1,293,454	1,293,454	1,070,974
Foreshore management	257,540	257,540	219,365
Public conveniences	562	562	452
	<u>1,551,556</u>	<u>1,551,556</u>	<u>1,290,791</u>

3 Investment income

	Unrestricted General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	36,358	36,358	735
	<u>36,358</u>	<u>36,358</u>	<u>735</u>

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

4 Expenditure on charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Car Parking	426,913	426,913	354,801
Foreshore management	554,223	554,223	501,021
Street cleansing	12,771	12,771	13,382
Public conveniences	147,624	147,624	259,228
White Rock Baths	9,000	9,000	10,622
Small end events grants	272,000	272,000	223,216
	1,422,531	1,422,531	1,362,270

5 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Wages and salaries	6,858	6,858	7,060
Audit of the financial statements	9,116	9,116	7,150
Accountancy services	4,500	4,500	4,100
Legal fees	26,396	26,396	42,038
HBC management charges	58,230	58,230	58,230
Other governance costs	5	5	-
	105,105	105,105	118,578

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

6 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2023	2022
	£	£
Audit fees	(9,116)	(7,150)
Depreciation of fixed assets	<u>(73,491)</u>	<u>(73,491)</u>

7 Trustee remuneration and expenses

Payments to the Trustee related entirely to recharges of costs incurred by HBC on behalf of the charity. These included a payment by HBC to the Chair of the Charity Committee of HBC by way of a responsibility allowance from the Council of £6,858 (2022 - £7,060), included in Governance costs.

8 Staff costs

The Trust does not directly employ any staff. As such no employee received emoluments of more than £60,000 during the year

The total employee benefits of the key management personnel of the charity were £55,974 (2022 - £53,688).

9 Taxation

The charity is a registered charity and is therefore exempt from Corporation Tax.

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

10 Tangible fixed assets

	Land and buildings £	Plant and equipment £	Total £
Cost			
At 1 April 2022	1,144,091	573,843	1,717,934
At 31 March 2023	1,144,091	573,843	1,717,934
Depreciation			
At 1 April 2022	265,127	366,856	631,983
Charge for the year	40,514	32,977	73,491
At 31 March 2023	305,641	399,833	705,474
Net book value			
At 31 March 2023	838,450	174,010	1,012,460
At 31 March 2022	878,964	206,987	1,085,951

11 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	1,765,804	1,729,476

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	93,951	173,358
Loans from Hastings Borough Council	31,231	30,719
Accruals	25,200	12,516
	150,382	216,593

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

13 Creditors: amounts falling due after one year

	2023	2022
	£	£
Loans from Hastings Borough Council	<u>64,032</u>	<u>95,262</u>

The amount is the long term portion of the £300,000 annuity loan. The loan is at 1.66%, and has biannual payments.

For the £300,000 annuity loan, to limit the potential impact on the Trust, the Council shared the risk on a 50:50 basis. For clarity, the annual borrowing costs for the year ending 31 March 2023 were £1964 (2022: £2468), if the venture failed the amount payable per annum by the Trust would be reduced by 50%. If a new tenant was found at that time but the rental stream achieved was lower, then the shortfall would be shared.

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

14 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
<i>General</i>					
Unappropriated reserve	-	1,587,914	(1,527,636)	72,724	133,002
<i>Designated</i>					
Contingency reserve	900,000	-	-	-	900,000
Main programme reserve	517,622	-	-	767	518,389
Fixed asset fund	1,085,951	-	-	(73,491)	1,012,460
	<u>2,503,573</u>	<u>-</u>	<u>-</u>	<u>(72,724)</u>	<u>2,430,849</u>
Total funds	<u>2,503,573</u>	<u>1,587,914</u>	<u>(1,527,636)</u>	<u>-</u>	<u>2,563,851</u>
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
<i>General</i>					
Unappropriated reserve	-	1,291,526	(1,480,848)	189,322	-
<i>Designated</i>					
Contingency reserve	900,000	-	-	-	900,000
Main programme reserve	633,453	-	-	(115,831)	517,622
Fixed asset fund	1,159,442	-	-	(73,491)	1,085,951
	<u>2,692,895</u>	<u>-</u>	<u>-</u>	<u>(189,322)</u>	<u>2,503,573</u>
Total funds	<u>2,692,895</u>	<u>1,291,526</u>	<u>(1,480,848)</u>	<u>-</u>	<u>2,503,573</u>

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

14 Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

The Main programme reserve is held to fund the Trust's business plan initiatives and significant items of repair and maintenance that cannot be financed in a single year.

The Fixed asset fund is created to recognise that an equivalent amount of reserves has already been used, and is not available for further use.

The Unappropriated reserve represents all monies for which a specific purpose remains to be determined.

15 Analysis of net assets between funds

	Unrestricted funds Designated £	Total funds at 31 March 2023 £
Tangible fixed assets	1,012,460	1,012,460
Current assets	1,765,804	1,765,804
Current liabilities	(150,381)	(150,381)
Creditors over 1 year	(64,032)	(64,032)
Total net assets	<u>2,563,851</u>	<u>2,563,851</u>
	Unrestricted funds Designated £	Total funds at 31 March 2022 £
Tangible fixed assets	1,085,951	1,085,951
Current assets	1,729,476	1,729,476
Current liabilities	(216,592)	(216,592)
Creditors over 1 year	(95,262)	(95,262)
Total net assets	<u>2,503,573</u>	<u>2,503,573</u>

Hastings and St Leonards Foreshore Charitable Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

16 Related party transactions

During the year the charity made the following related party transactions:

Hastings Borough Council (Trustee)

The Foreshore Trust took a loan in 2016 from Hastings Borough Council to allow it to fund the conversion of White Rock Baths as a BMX centre and café.

The property belongs to the Foreshore Trust and the loan granted by Hastings Borough Council for £300,000 was for a ten year period. The Building has been leased to The Source for a period of ten years and the rental income generated will contribute to the repayment of the loan principal and interest.

The loan is repayable in biannual payments. The £300,000 annuity loan being at 1.66%, and the first payment being made on the 21st September 2016.

For the former, to limit the potential impact on the Trust, the Council would share the risk on a 50:50 basis. For clarity, the annual borrowing cost for the year ending 31st March 2023 were £1,964 (£2,468), if the venture failed the amount payable per annum by the Trust would be reduced by 50%. If a new tenant was found at that time but the rental stream achieved was lower, then the shortfall would be shared. At the balance sheet date the amount due to Hastings Borough Council was £189,214 (2022 - £299,339).