

WALESBY FOREST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Hobsons CA Limited
Chartered Accountants
International House
Brunel Drive
Newark
Notts NG24 2EG

WALESBY FOREST
YEAR ENDED 31 DECEMBER 2020

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WALESBY FOREST

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2020

| | | |
|---------------------------|-----------------|---|
| Trustees | President | DW Huxley |
| | Chairman | A Bow MIHT |
| | Deputy Chairman | A Luczko |
| | Secretary | G Jones |
| | | J Ramsden |
| | | D Wilkinson |
| | | A Luff |
| | | R Pilkington |
| | | Nominated by City of Nottingham District Scout Council |
| | | D Hoskins |
| | | Nominated by City of Nottingham District Scout Council |
| Chief Executive | | G Laurie |
| Principal Address | | Walesby Forest Brake Road Walesby Newark Nottinghamshire NG22 9NG |
| Bankers | | National Westminster Bank Plc 9 Church Street Mansfield Notts NG18 1HP |
| Auditor | | Hobsons CA Limited Chartered Accountants International House Brunel Drive Newark Notts NG24 2EG |
| Registered Charity Number | | 1147348 |

WALESBY FOREST

REPORT OF THE TRUSTEES

The Trustees present their annual report and the audited financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Reference and administrative details

Administrative details and Trustees can be found within the Legal and Administrative information.

Structure, Governance and Management

Walesby Forest was founded under a constitution adopted on 2 February 2012 and amended on 3 May 2012. It registered as a charity on 21 May 2012 under charity number 1147348. Details of the Trustees, principal officers and professional advisors are given in the Legal and Administration information.

Appointment of Trustees, Induction and training

The appointment of Trustees is set out in the constitution. They are briefed on all aspects of the charity by the Chairman and where applicable other Trustees prior to appointment.

Organisational structure

The Trustees are volunteers with appropriate skills who along with the Chief Executive, Secretary and Trustees from the City of Nottingham District Scout Council make up the management committee who meet quarterly. Trustees who have served during the period and since the year-end are set out within the legal and administrative information.

Risk management

The Trustees have examined the major strategic, business and operational risks which the Centre faces and confirm that the systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks.

Objectives and activities

The objectives of Walesby Forest are to manage the Centre and its facilities for the development of all young people and for the maximum benefit of the scouts of the City of Nottingham. The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Centre's aims and objectives in planning future activities.

The charity is grateful for the unstinting efforts of its volunteers who are involved in assisting the maintenance team, assisting at events and summer activities and the support of Scout Group leaders. It is estimated that over 223 volunteer hours were provided during the year.

Achievement and performance

Details of achievements and performance can be found within the Chairman's and Chief Executive's reports.

WALESBY FOREST
REPORT OF THE TRUSTEES

Financial review

The Financial Review can be found within the Chairman's report.

Investment policy

The Trustees have considered the most appropriate policy for investing funds and have found that the fixed term Bank and Building Society Accounts meet their requirements to generate both income and capital growth. The Trustees consider the variable return on investments to be satisfactory.

Reserves policy

It is the policy of the Centre to maintain unrestricted funds, which are the free reserves of the Centre:

- to cover administration, fund-raising and support costs without which the Centre could not function,
- to provide funds which can be designated to specific projects to enable these to be undertaken at short notice.

The Trustees consider it prudent that the liquid assets of the unrestricted funds should be maintained at a level sufficient:

- to cover the fixed costs of the Centre throughout the period of the year when seasonal income is low,
- to cover the fixed costs of the Centre when income is interrupted due to circumstances out of their control.

The level of these assets is monitored and reviewed by the Trustees on a quarterly basis and at 31 December 2020 were considered equivalent to 10 months of fixed costs. The Trustees viewed this as satisfactory.

Plans for future periods

Details of plans for future periods can be found within the Chairman's and Chief Executive's reports.

Trustees responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

WALESBY FOREST

REPORT OF THE TRUSTEES

The Trustees are 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'A. Bow', with a large, loopy flourish above it.

Alistair Bow
Chairman

Date: 13th May, 2021.

WALESBY FOREST
REPORT OF THE CHAIRMAN
FOR YEAR ENDED 31 DECEMBER 2020

2020 turned out to be the year no one expected. The global pandemic challenged everything we see as "normal" resulting in some profound changes to the way we live our lives.

As the seriousness of the virus became apparent and the nation went into its first lockdown, the Board of Trustees was driven in its response by three priorities; ensuring the wellbeing of employees; protecting our cash; protecting our communities.

From the beginning of the pandemic, we acted swiftly to instigate a task team focused on the health, safety and wellbeing of our employees and the potential financial impact. The cross functional team met daily initially and then weekly to make plans and put in policies, processes and actions in response to government guidelines to enable a smooth running of the essential site services in the ever-changing circumstances.

After resolving the immediate operational changes to achieve the three priorities as the pandemic unfolded, the board started to consider the broader and longer-term effects initially formulating a "War Budget" which highlighted the seriousness of the overall situation. We began to consider what this meant for Walesby Forest and the longer-term effect.

Our budgeted income for 2020 was just over £1m which we thought would be challenging, however we managed just over £0.2m with the majority of our income being emergency grant aid funding. The total closure of the site was effective for most of the year which resulted in the loss of the majority of our staff including the cancellation of our apprentice programme. All capital works were suspended and the remaining staff were furloughed using the government job retention scheme. With the long-term prospects of group camping and organised events being shelved long into 2021 it was clear we needed a new strategy moving forward. The board responded to these challenges quickly and effectively.

With our plans to launch public camping and increase our public events portfolio, we approved further investment with our Retail Centre. We believe this area gives a significant opportunity for growth when appetite for school and organised group activity is slowing and is not expecting to return to normal levels until 2023. This will mark an exciting new chapter for Walesby Forest and will generate significant funds for future development.

The implications of the year are significant and still unfolding, but reassuringly, we are on course to deliver value and a high level of service to our customers and to remain strong, successful and an independent Activity Centre. Over the years, we have built up a significant capital surplus which has seen a significant reduction, however we have the ability to continue with our maintenance programme.

The Board of Trustees is responsible for the charity's system of risk management and internal control and for reviewing their effectiveness. Heading into 2021, managing our risks and opportunities will become more prominent. By identifying and managing our risks effectively we can focus on our long-term business opportunities. Additional risks not presently known or currently deemed to be less material may also have an adverse effect on the charity in the future. Risk is inherent and an accepted element of doing business and effective risk management is fundamental to how we run the charity. The company approach to risk management is to identify key risks and then to develop actions to process within the business to eliminate or mitigate those risks to an acceptable level.

WALESBY FOREST

REPORT OF THE CHAIRMAN

FOR YEAR ENDED 31 DECEMBER 2020

Walesby do not only require extensive funding but a large team of volunteers and staff, and without this combination Walesby would not be able to offer the facilities and services that our customers demand. Every year we review our Development Strategy which shows an ongoing commitment to offer facilities of superior quality and service in order to maximise our share of the available market.

I would like to thank all the members of the team at Walesby Forest and my trustees. By remaining focused on delivering good value and excellent service, they have delivered a performance to be proud of and despite the terrible situation we have found ourselves in, we still have a strong platform on which to build. The challenge for everyone in scouting, especially in the County of Nottinghamshire is to rebuild our groups and with this make every possible use of this wonderful facility. Scout campsites like ours are available today because of the dedication of so many people and we have a responsibility to maintain them. I am confident of our ability to do this for Walesby and I am always impressed by the achievements of our employees and by their immense pride in their work.

Walesby Forest and its team members will be working to enhance its reputation for the provision of 'winning' facilities and services and continuing to build on its Scouting heritage and values associated with it.



Alistair Bow
Chairman

Date: 13th May, 2021.

WALESBY FOREST
REPORT OF THE CHIEF EXECUTIVE
FOR THE YEAR ENDED 31 DECEMBER 2020

As was predicted, the economic environment in 2020 proved to be incredibly challenging due to Covid-19. The pandemic that we planned on being over by the winter of 2020 continued to impact the charity throughout the entire year and resulted in a significant drop in income.

Our core business of scouting and school residential trips was suspended by the government from the 23rd March 2020 and was not allowed to restart that year. This fact alone eliminated almost 85% of our income for the year. In addition, our major events at Easter, the Big Fake Festival and Bonfire night had to be cancelled due to the regulations at the time. We offered limited public camping throughout July and August, working within the limitations of the government rules of the day, and this was successful in increasing our income slightly. We also forged a new partnership with the police firearms training team who used the site in the winter of 2020, again earning the site much needed income.

Our budgeted income for 2020 was £1,026,388 and we achieved an actual result of £220,944, £804,444 down on budget. Expenditure was £533,617 against a budget of £945,860, an improvement of £412,243. The net end of year result was a loss to the charity of £312,673 against a budgeted surplus of £80,528.

The financial result was exacerbated by the suddenness of the government restrictions at a time when as customary we had spent a lot of money getting ready for the year. Apprentices were recruited as normal, training carried out, other staffing levels maintained, and stock bought for the shop and catering barn. This expected level of high set up costs would have been fine in a normal year, but in a pandemic these loss-making months hit the charity's bottom line very hard. To compound the matter further the stock that was bought in for the shop and catering barn then had to be written off later in the year as it was beyond its use by date.

Staffing was reduced at the end of March to the core team required to maintain the security and integrity of the site. All other staff were furloughed before being let go, with three members of staff very sadly being made redundant. It will not be until mid-2021 that staffing levels will start to increase and 2022 before they resemble the numbers formerly employed in 2019.

The business environment for activity centres in 2021 is one punctuated by a continuing lack of customer confidence. Our core customers are only now able to consider restarting residential educational trips, but many are preferring to reschedule to 2022 because of family economic factors, fear of a repeated surge in Covid-19 numbers, or a lack of leaders able and willing to bring children to site. The impact of this continued lack of confidence is a much-reduced forecast income for the year of £643,907 down by nearly 40% on the previous year's budget. Until such time as Covid-19 is fully under control I believe we will continue to see a reduction in core income.

The focus therefore for 2021 is very much on those areas that we can control, and as such we are scaling up considerably our public camping this year. In addition we are selling an activity day pass in a plan to drive up foot fall and generate secondary spend on site through increased dwell time. We have made significant investments in the Robin Hood Suite, a building containing our bar and shop, to maximise the income from the public coming to site. Bar and shop sales will be married with a food offering for lunches and dinners.

We have also launched new products to the market designed to allay some of the public's fears. These include "Activities at your place" and "Day visits", with the residential issues overcome. It is also hoped that the Big Fake Festival will be held this autumn, a very positive sign that as time progresses the charity can return to operating normally once again.

WALESBY FOREST

REPORT OF THE CHIEF EXECUTIVE

FOR THE YEAR ENDED 31 DECEMBER 2020

Despite the problems of 2020 and the impact on the charity I believe Walesby Forest is well placed to make good progress as the Covid-19 regulations are relaxed and in the years to come to return to our former financial health.



Guy Laurie
Chief Executive

Date: 13/05/2021



13/05/2021

WALESBY FOREST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WALESBY FOREST

Opinion

We have audited the financial statements of Walesby Forest for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020, and of its incoming resources and application of resources, 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

WALESBY FOREST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WALESBY FOREST

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting record; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 3 - 4, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

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

WALESBY FOREST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WALESBY FOREST

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Hobsons CA Limited (Statutory Auditor)
Chartered Accountants & Registered Auditors
International House
Brunel Drive
Newark, Notts, NG24 2EG

Date: 16 August 2021

Hobsons CA Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

WALESBY FOREST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

| | Note | Unrestricted £ | Restricted £ | Year ended 31.12.20 £ | Year ended 31.12.19 £ |
|--|------|-------------------|-----------------|-----------------------------|-----------------------------|
| Income and endowments from: | | | | | |
| Donations and legacies | | 4,263 | 16,000 | 20,263 | 416 |
| Charitable activities | 2 | 99,585 | - | 99,585 | 879,124 |
| Other trading activities | | 12,335 | - | 12,335 | 69,750 |
| Other income | 3 | 88,761 | - | 88,761 | - |
| Total income and endowments | | 204,944 | 16,000 | 220,944 | 949,290 |
| Expenditure on: | | | | | |
| Raising funds | 7 | 20,442 | - | 20,442 | 58,995 |
| Charitable activities | 8 | 505,255 | 7,920 | 513,175 | 871,173 |
| Total expenditure | | 525,697 | 7,920 | 533,617 | 930,168 |
| Net income / (expenditure) for the year | | (320,753) | 8,080 | (312,673) | 19,122 |
| Transfers between funds | | - | - | - | - |
| Net movement in funds | | (320,753) | 8,080 | (312,673) | 19,122 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 708,106 | 80,404 | 788,510 | 769,388 |
| Total funds carried forward | | 387,353 | 88,484 | 475,837 | 788,510 |

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 15 to 22 form part of these financial statements.

WALESBY FOREST

BALANCE SHEET AS AT 31 DECEMBER 2020

| | Note | 2020 | 2019 |
|--|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 8 | 876,172 | 938,573 |
| Current assets | | | |
| Stocks | 9 | 15,238 | 17,057 |
| Debtors | 10 | 40,306 | 59,219 |
| Cash at bank and in hand | | 195,130 | 302,290 |
| | | <u>250,674</u> | <u>378,566</u> |
| Creditors | | | |
| Amounts falling due within one year | 11 | (321,219) | (243,723) |
| | | <u></u> | <u></u> |
| Net current assets / (liabilities) | | (70,545) | 134,843 |
| Total assets less current liabilities | | <u>805,627</u> | <u>1,073,416</u> |
| Creditors | | | |
| Amounts falling due after more than one year | 12 | (329,790) | (284,906) |
| Net assets | | <u><u>475,837</u></u> | <u><u>788,510</u></u> |
| Charity funds | | | |
| Restricted income funds | 14 | 88,484 | 80,404 |
| Unrestricted income funds | | 387,353 | 708,106 |
| Total charity funds | | <u><u>475,837</u></u> | <u><u>788,510</u></u> |

The financial statements were approved and authorised for issue by the board on
Signed on behalf of the board of trustees

13th May, 2021.



Alistair Bow
Chairman

The notes on pages 15 to 22 form part of these financial statements.

WALESBY FOREST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

| | 2020 £ | 2019 £ |
|---|----------------|----------------|
| Cash flow from operating activities | | |
| Net income for the year | (312,673) | 19,122 |
| Depreciation | 84,690 | 90,411 |
| Interest paid | 4,885 | - |
| (Profit)/Loss on disposal of assets | (2,083) | - |
| (Increase)/decrease in stock | 1,819 | 5,130 |
| (Increase)/decrease in debtors | 18,913 | (21,145) |
| Increase/(decrease) in creditors | 77,496 | (47,563) |
| Net cash flow from operating activities | (126,953) | 45,955 |
| Cash flow from investing activities | | |
| Payments to acquire tangible fixed assets | (22,289) | (16,220) |
| Proceeds on sale of tangible fixed assets | 2,083 | - |
| Net cash flow from investing activities | (20,206) | (16,220) |
| Cash flow from financing activities | | |
| Receipt from issue of new loan | 50,000 | 100,000 |
| Repayment of bank loan liabilities | (8,890) | (4,557) |
| Repayment of finance lease liabilities | (1,111) | (1,111) |
| Net cash flow from financing activities | 39,999 | 94,332 |
| Net increase/(decrease) in cash and cash equivalents | (107,160) | 124,067 |
| Cash and cash equivalents at 1 January 2020 | 302,290 | 178,223 |
| Cash and cash equivalents at 31 December 2020 | <u>195,130</u> | <u>302,290</u> |
| Cash and cash equivalents consists of: | | |
| Cash at bank and in hand | 195,130 | 302,290 |
| Cash and cash equivalents at 31 December 2020 | <u>195,130</u> | <u>302,290</u> |

The notes on pages 15 to 22 form part of these financial statements.

WALESBY FOREST

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

General information and basis of preparation

Walesby Forest is a registered charity in England . The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activity is that of an activity centre.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

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

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

WALESBY FOREST

NOTES TO THE FINANCIAL STATEMENTS

Income

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from charitable activities includes income earned from camp fees and camp activities, catering, wayleaves received and telephone and utilities provided. Income is received in exchange for services and is recognised when the service is complete.

Income from trading activities includes income earned from providore sales to raise funds for the charity. Income is received in exchange for supplying goods and is recognised when entitlement has occurred.

Investment income comprises building society and bank interest. Income is recognised when the interest has been earned.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes stock purchases for the providore and other costs of running the providore;
- Expenditure on charitable activities includes the running and maintenance of the site and camp activities, site transportation and catering purchases.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. The Centre does not have a policy of revaluation.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|----------------------------------|--|
| Leasehold property | over the life of the lease i.e. 99 years |
| Buildings | 5% - 20% on a straight line basis |
| Motor vehicles | 25% on a straight line basis |
| Plant and machinery | 33.3% on a straight line basis |
| Fixtures, fittings and equipment | 33.3% on a straight line basis |

WALESBY FOREST

NOTES TO THE FINANCIAL STATEMENTS

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Finance Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Rentals payable are apportioned between the rental and a reduction of the outstanding obligation for future amounts payable.

| | | |
|---|-----------------|-----------------|
| 2 Incoming Resources for Charitable Activities | 2020 | 2019 |
| | £ | £ |
| Camp fees and activities | 93,730 | 774,011 |
| Catering | 5,855 | 97,108 |
| Miscellaneous income | - | 8,005 |
| | <u>99,585</u> | <u>879,124</u> |
| 3 Other Income | 2020 | 2019 |
| | £ | £ |
| Furlough Income | 55,118 | - |
| Government Grats Received | 33,643 | - |
| | <u>88,761</u> | <u>-</u> |
| 4 Profit on providore and catering | 2020 | 2019 |
| | £ | £ |
| Sales | | |
| Providore | 12,335 | 69,750 |
| Catering | 5,855 | 97,108 |
| | <u>18,190</u> | <u>166,858</u> |
| Cost of sales | | |
| Opening stock | 17,057 | 22,187 |
| Providore purchases | 5,393 | 33,224 |
| Catering purchases | 5,215 | 30,000 |
| Retail expenses | 815 | 904 |
| Closing stock | <u>(15,238)</u> | <u>(17,057)</u> |
| | (13,242) | (69,258) |
| | <u>4,948</u> | <u>97,600</u> |

WALESBY FOREST

NOTES TO THE FINANCIAL STATEMENTS

| 5 Allocation of support costs | Raising Funds £ | Charitable Activities £ | Total 2020 £ | Total 2019 £ |
|------------------------------------|--------------------|----------------------------|--------------------|--------------------|
| Advertising | - | 21,702 | 21,702 | 25,360 |
| Telephone, printing and stationery | - | 18,809 | 18,809 | 23,894 |
| Staff costs | 12,415 | 225,265 | 237,680 | 441,130 |
| Insurance | - | 21,809 | 21,809 | 21,401 |
| Accountancy fees | - | 1,582 | 1,582 | 2,841 |
| Audit fees | - | 4,033 | 4,033 | 4,429 |
| Legal and professional fees | - | 4,470 | 4,470 | 14,335 |
| Recruitment fees | - | - | - | - |
| General expenses | - | 168 | 168 | 2,661 |
| Finance costs | - | 10,708 | 10,708 | 13,642 |
| | 12,415 | 308,546 | 320,961 | 549,693 |

Support costs are allocated on a basis consistent with the use of resources.

| 5.1 Staff costs during the year amounted to: | 2020 £ | 2019 £ |
|--|-----------|-----------|
| Salaries | 219,457 | 409,822 |
| National Insurance | 11,406 | 21,662 |
| Employer pension contributions | 6,817 | 9,646 |
| | 237,680 | 441,130 |

Average number of employees analysed by function for the year was:

| | | |
|--------------------------|----|----|
| Charitable activities | 12 | 26 |
| Cost of generating funds | 1 | 4 |

Employees whose emoluments including bonuses, fell between:
£70,000 - £80,000 pro rata

- -

Trustees do not receive any remuneration.

Trustees may be reimbursed expenses. These amounts are not deemed material.

| 6 Analysis of expenditure on raising funds | 2020 £ | 2019 £ |
|--|-----------|-----------|
| Retail expenses | 815 | 904 |
| Providence cost of sales | 7,212 | 38,354 |
| Support costs | 12,415 | 19,737 |
| | 20,442 | 58,995 |

WALESBY FOREST

NOTES TO THE FINANCIAL STATEMENTS

| 7 | Analysis of expenditure on charitable activities | Total 2020 £ | Total 2019 £ |
|---|--|--------------------|--------------------|
| | Site maintenance and development | 31,392 | 34,642 |
| | Rent | 5,534 | 10,551 |
| | Sanitation | 9,643 | 46,047 |
| | Electricity, gas and water | 64,589 | 52,424 |
| | Site transport and plant | 7,045 | 15,731 |
| | Depreciation - Owned assets | 83,579 | 89,300 |
| | Depreciation - Leasehold | 1,111 | 1,111 |
| | (Profit)/Loss on disposal of assets | (2,083) | - |
| | Activities and sports equipment | (2,225) | 44,459 |
| | General expenditure | 1,309 | 8,841 |
| | Catering cost of sales | 4,735 | 38,111 |
| | Support costs | 308,546 | 529,956 |
| | | <u>513,175</u> | <u>871,173</u> |

The charity undertakes direct charitable activities only and does not make grant payments.

| 8 | Tangible fixed assets | Leasehold Property £ | Buildings £ | Motor Vehicles £ | Plant & Machinery £ | Fixtures Fittings & Equipment £ | Total £ |
|---|-----------------------|----------------------------|------------------|------------------------|---------------------------|--|------------------|
| | <u>Cost</u> | | | | | | |
| | At 01.01.2020 | 110,000 | 1,001,502 | 8,661 | 66,275 | 226,878 | 1,413,316 |
| | Additions | - | - | 1,960 | - | 20,329 | 22,289 |
| | Disposals | - | - | (8,661) | - | - | (8,661) |
| | At 31.12.2020 | <u>110,000</u> | <u>1,001,502</u> | <u>1,960</u> | <u>66,275</u> | <u>247,207</u> | <u>1,426,944</u> |
| | <u>Depreciation</u> | | | | | | |
| | At 01.01.2020 | 8,425 | 229,238 | 8,172 | 47,647 | 181,261 | 474,743 |
| | Current year charge | 1,111 | 57,846 | 1,142 | 8,384 | 16,207 | 84,690 |
| | Disposals | - | - | (8,661) | - | - | (8,661) |
| | At 31.12.2020 | <u>9,536</u> | <u>287,084</u> | <u>653</u> | <u>56,031</u> | <u>197,468</u> | <u>550,772</u> |
| | <u>Net book value</u> | | | | | | |
| | At 31.12.2020 | <u>100,464</u> | <u>714,418</u> | <u>1,307</u> | <u>10,244</u> | <u>49,739</u> | <u>876,172</u> |
| | At 31.12.2019 | <u>101,575</u> | <u>772,264</u> | <u>489</u> | <u>18,628</u> | <u>45,617</u> | <u>938,573</u> |

WALESBY FOREST

NOTES TO THE FINANCIAL STATEMENTS

Included above are assets held under finance leases or hire purchase contracts as follows:

| Asset description | 2020 | | 2019 | |
|---|---------------------|--------------------------|---------------------|--------------------------|
| | Net book value £ | Depreciation charge £ | Net book value £ | Depreciation charge £ |
| Leasehold property | 100,464 | 1,111 | 101,575 | 1,111 |
| 9 Stocks | | | 2020 £ | 2019 £ |
| Stock for re-sale | | | 15,238 | 17,057 |
| 10 Debtors | | | 2020 £ | 2019 £ |
| Trade debtors | | | 521 | 1,436 |
| Prepayments | | | 39,785 | 57,783 |
| | | | 40,306 | 59,219 |
| 11 Creditors | | | 2020 £ | 2019 £ |
| <u>Amounts falling due within one year:</u> | | | | |
| Bank loan | | | 11,000 | 11,000 |
| Trade creditors | | | 65,153 | 10,980 |
| Other taxes and social security costs | | | 6,401 | 26,383 |
| Accruals | | | 60,631 | 74,663 |
| Finance lease | | | 1,111 | 1,111 |
| Other creditors | | | 176,923 | 119,586 |
| | | | 321,219 | 243,723 |

The finance lease is secured over the assets to which it relates. The bank loan is secured on the assets of the charity.

Included within accruals are provisions totalling £50,220 (2019 - £60,720) that have arisen due to a constructive obligation to maintain the standard of the site.

Included in other creditors is deferred income of £176,923 (2019 - £118,257) which relates to deposits received for camps to be held in future years.

WALESBY FOREST

NOTES TO THE FINANCIAL STATEMENTS

| 12 Creditors | 2020 £ | 2019 £ |
|--|----------------|----------------|
| <u>Amounts falling due after one year:</u> | | |
| Bank loan | 230,438 | 184,443 |
| Finance lease | 99,352 | 100,463 |
| | <u>329,790</u> | <u>284,906</u> |

Repayable as follows:

| | 1-2 years £ | 2-5 years £ | After 5 years £ | Total £ |
|---------------|----------------|----------------|-----------------------|----------------|
| Bank loan | 11,000 | 44,000 | 175,438 | 230,438 |
| Finance lease | 1,111 | 4,444 | 93,797 | 99,352 |
| | <u>12,111</u> | <u>48,444</u> | <u>269,235</u> | <u>329,790</u> |

13 Designated funds

| | Balance 01.01.20 £ | Movement in resources | | | Balance 31.12.20 £ |
|----------------|--------------------------|-----------------------|---------------|---------------|--------------------------|
| | | Incoming £ | Outgoing £ | Transfer £ | |
| Hedge fund | 1,217 | - | - | - | 1,217 |
| Sherwood Lodge | 24,897 | - | - | - | 24,897 |
| | <u>26,114</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>26,114</u> |

The funds were established to facilitate the replacement and maintenance of the facilities within the Centre.

14 Restricted Funds

| | Balance 01.01.20 £ | Movement in resources | | | Balance 31.12.20 £ |
|----------------|--------------------------|-----------------------|----------------|---------------|--------------------------|
| | | Incoming £ | Outgoing £ | Transfer £ | |
| Kemp lodge | 54,953 | - | (6,670) | - | 48,283 |
| Planting trees | 1,000 | - | - | - | 1,000 |
| Management van | 2,890 | - | - | - | 2,890 |
| Catering barn | 7,749 | - | (500) | - | 7,249 |
| Climbing wall | - | 16,000 | - | - | 16,000 |
| 2018 Lodge | 4,604 | - | (250) | - | 4,354 |
| Toilet Block | 9,208 | - | (500) | - | 8,708 |
| | <u>80,404</u> | <u>16,000</u> | <u>(7,920)</u> | <u>-</u> | <u>88,484</u> |

WALESBY FOREST

NOTES TO THE FINANCIAL STATEMENTS

15 Analysis of net assets between funds

| | Tangible Fixed Assets £ | Current Assets £ | Liabilities £ | Total £ |
|--------------------|----------------------------------|------------------------|------------------|----------------|
| Restricted | 72,484 | 16,000 | - | 88,484 |
| Unrestricted funds | 803,688 | 234,674 | (651,009) | 387,353 |
| | <u>876,172</u> | <u>250,674</u> | <u>(651,009)</u> | <u>475,837</u> |

16 Financial Commitments

At 31 December 2020 the charity's future minimum lease payments under non-cancellable operating leases are as follows:

| | 2020 £ | 2019 £ |
|--------------------------------|-----------|-----------|
| Due less than one year | 4,500 | 4,500 |
| Due between two and five years | 18,000 | 18,000 |
| Due over five years | 389,250 | 393,750 |

17 Related Party Transactions

Thomas Bow Limited is a related party as A Bow, a Trustee, is a director of that company. During the year ended 31 December 2020 the company supplied materials amounting to £560 (2019 - £361), and a vehicle amounting to £1,960 (2019 - £nil) to the Centre. At 31 December 2020 creditors included an amount of £nil (2019 - £nil).

The Centre also provided services relating to Lodges, Catering and Service Hire to the company amounting to £686 (2019 - £nil). At 31 December 2020 debtors included an amount of £521 (2019 - £nil).

18 Post Balance Sheet Events

From the start of the year until April 2021, the site remained closed. From April 2021, following some of the restrictions being lifted, the camp has started to open. The trustees are confident that the business has sufficient cashflow to remain a going concern.

19 Control Relationships

The Centre is controlled by the Trustees.