

the
HORTON
ARTS CAFÉ HERITAGE

Horton Chapel Arts
& Heritage Society
Registered Charity 1167510



Annual Report and Accounts
for 2021-22

Horton Chapel Arts and Heritage Society

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for the Year Ended 28 February 2022

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Horton Chapel Arts and Heritage Society

Reference and Administrative Details **for the Year Ended 28 February 2022**

TRUSTEES	I Reeves R Salmon -Secretary K Arnould M Reeves (resigned 22.6.21) P Humphrey (resigned 9.4.21) G Saunders Y Mokuolu (resigned 14.6.22) S Kelly (resigned 22.4.21) G C Young S Wiles - Chair H van Maasakkers (appointed 31.8.21) S R Trimm (appointed 16.3.22) Mrs K Appadoo (appointed 16.3.22)
PRINCIPAL ADDRESS	Haven Way Epsom Surrey KT19 8NP
REGISTERED CHARITY NUMBER	1167510
INDEPENDENT EXAMINER	Bates Weston LLP Chartered Accountants The Mills Canal Street Derby DE1 2RJ
BANKERS	Metrobank 91a High Street Epsom KT19 8DR

Objectives and activities

The Horton Chapel Arts & Heritage Society (“the Society”, “we” or “HCAHS”) was established as a Charitable Incorporated Organisation in January 2016. We are governed by our Constitution which sets out our aims as being:

- To preserve The Horton Chapel in Epsom, a Grade II listed building, for the benefit of the public and the heritage of the local area, by establishing a not-for-profit community arts centre within the building and its associated grounds: and
- To promote education in and appreciation of the arts, local history and creative activities that promote well-being, for the public benefit of all ages of people living, working and studying in the borough of Epsom and Ewell and its surrounding areas.

In addition to our formal name, we have used The Horton Chapel Project as a name to describe the redevelopment phase of the project. The building has now opened as a venue for arts, heritage and events with the name The Horton, which is our primary brand.

Between 2016 and 2018 we received start-up grants of £10,000 from the National Lottery Heritage Fund (“NLHF”) and £25,000 from the Architectural Heritage Fund, followed by a Development Grant from the HLF for a maximum of £300,900.

In June 2018 our application for a Heritage Enterprise Delivery Grant from the Heritage Lottery Fund (now known as the National Lottery Heritage Fund, NLHF) for £1.44m was approved. This award unlocked guaranteed funding of a further £1.45m from Section 106 funds held by Epsom & Ewell Borough Council (EEBC).

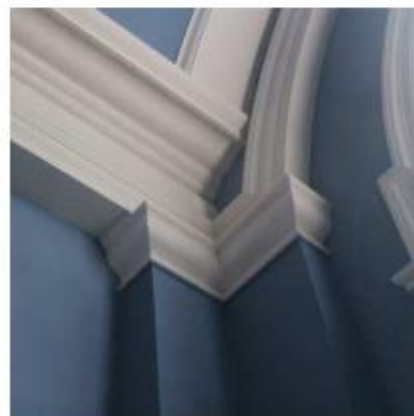
In January 2019 we were granted a 125-year operational lease on the building, which is owned by EEBC, for a peppercorn rent. A licence for works was also agreed with EEBC to enable us to undertake the restoration and redevelopment works on the building and site. Work on the site commenced in 2020 but was significantly interrupted by the global coronavirus pandemic and the collapse into administration of the main construction contractor, Armfield Construction Ltd, in early 2021.

Activities Summary

During the period covered by this report (March 2021 to February 2022), we reached a major milestone in completing the main construction work for the refurbishment and restoration of the chapel building and site – a significant step towards achieving one of primary charitable aims.

This work included:

- Access ramp installation
- Damp proofing
- Café and kitchen fit-out completion
- Secondary glazing
- Custom blinds and window coverings
- Automatic doors
- Restoration and re-installation of memorial plaques
- Restoration and re-installation of decorative organ pipes
- Installation of services including telephone, wifi, alarms and CCTV
- Commissioning service of access lift to mezzanine floor
- Procurement of fixtures and fittings
- Installation of sound and lighting equipment
- Final decoration



We also entered into service agreements and maintenance contracts for the ongoing management of the building, including: electricity, telephone, broadband, security, fire alarms and waste management.

- In addition to this capital work, HCAHS carried out activities which fulfilled its second main charitable aim, including:
- Installation of the permanent heritage exhibition
- The Young Creatives project, funded in part by an #IWill grant
- Heritage Open Days – welcoming visitors to an exhibition preview before The Horton was open to the public.
- Skills training for trustees and volunteers.
- Networking and partnership building with other local charities, community groups and creatives.
- Heritage research volunteers continued their research of local history of Epsom Hospital Cluster and the people who lived and worked there.
- Collaborative content development with heritage partners and curators.
- A premises license was applied for, and successfully granted in September 2021.
- First performances held including Hikapee Theatre's *The Elf Factory* and a concert by *The Denman Street Quartet*.



Evaluation



The criteria we have used to assess our success during this reporting period are set out in our Evaluation Framework. This is informed by our Vision and Values Statement and the conditions under which our grant has been awarded by our primary funder.

It measures:

- What HCAHS set out to do
- The difference HCAHS made to heritage (outcomes)
- The difference HCAHS made to people (outcomes)
- The difference HCAHS made to communities (outcomes)
- What HCAHS delivered (outputs)
- How these were delivered (process)
- Successes, challenges and lessons learnt
- Legacy and Sustainability – providing a set of recommendations for the organisation, other similar projects and NLHF.
- We report regularly to NLHF and EEBC on our progress against milestones and benchmarks for these approved purposes. We are regularly appraised at quarterly meetings with the NLHF and an external NLHF appraiser, as well as reporting to other funders who have specific criteria.

Achievements and performance

The financial year began just as Armfield Construction Ltd went into liquidation, leaving significant portions of the main refurbishment contract incomplete or not finished to appropriate standards. Trustees took legal advice over our contractual position with Armfield and its sub-contractors.

Trustees ran a new procurement process for the completion of the refurbishment works that had not been finished by Armfield. This contract was won by Eden London Ltd, who were already scheduled to begin work on the café fit-out in the summer of 2021. Eden subsequently worked concurrently on the completion and fit-out works, both of which were completed towards the end of the year. Other specialist contractors were appointed for specific purposes.

The management of this challenging period - at the same time as dealing with the impact of Covid-19 on labour and the global supply chain - is a demonstration of the charity's resilience and commitment of its trustees and volunteers.



The most significant achievement during the reporting period was the completion of the main refurbishment work that has transformed the chapel from a dilapidated at-risk building into a beautiful cultural venue.

Important heritage features including war memorials were restored and the eternal flame memorial torch was reconnected to power and lit for the first time in living memory.

The installation of the permanent heritage exhibition was also completed – in August 2021. Pieces of original furniture were customised to create innovative display units.

The exhibition, which is free to access for all visitors, includes images, audio recordings and digital resources including testimonies of staff and patients from throughout the 20th century.

Tablets were installed to show video, audio and an image library. QR codes were built into the exhibition to facilitate Covid-safe touch-free access to multimedia content.

This important aspect of the charity's objectives brings to life the heritage of the site and the wider Epsom Hospital Cluster, exploring the history of approaches to mental health care and their contemporary relevance.

An accompanying exhibition guide, written by trustee Kirstie Arnould, is proving a popular additional source of information to visitors.

The venue's website (thehortonepsom.org) was further developed and expanded to include What's On and Visit sections as well as hosting the back-end integration of the on-site exhibition's digital resources.



The first workshops, events and performances took place between September to December 2021. A classical music concert by The Denman Street Quartet was sold-out. A newly commissioned aerial theatre show from Hikapee Circus Theatre – supported by Arts Council England - attracted more than 1000 visitors over the festive period.

A limited 'soft launch' period of events continued as trustees and freelance staff prepared for the regular opening of The Horton to the public in 2022.



Audience at the first performance at The Horton

The Horton Young Creatives project was finally able to bring young people aged 10-15 together in person – following post-Covid online sessions. They developed creative skills and were consulted on their views for future programming. In a joint activity with Go Epsom (Epsom Business Improvement District) the Young Creatives contributed ideas to a public artwork project in the town centre.

Over the course of the year, media coverage and publicity about the project has increased knowledge about the heritage of the site, which is of national importance in the history of mental health care.

Post-Covid, the charity continues to develop and refine its Business Plan for The Horton as a not-for-profit venue for arts, heritage and events.

Over the reporting period and beyond, the charity has strengthened links with existing partners and continued to develop new relationships with diverse local and regional stakeholders.

These activities aimed to ensure our prospective services would not only be in line with our charitable objectives but would be popular and serve a community need. While doing this work, our Board of Trustees, who govern the Society, have had regard to the Charity Commission's guidance on public benefit.

The society does not have a material financial investment strategy. Neither grant-making nor social investment form a material part of the charity's objectives.



Financial Review

Grant funding from the NLHF totaling £275,172 was received during the financial year, along with S106 funding of £286,045, all of which was used for capital works, professional fees and activities associated with the completion of the refurbishment works on the building and the opening of The Horton as a cultural venue.

Grant funding of £6,891 was received from Surrey County Council Members' Community Allocations for various capital items.

A successful application was also made to The D'Oyly Carte Trust enabled new artists to use the venue for developing creative works and £3,000 was received during the financial year, to fund activities next year.

A grant of £1,000 was received from Tesco via the Federation of Groundwork Trusts to contribute to our landscaping project.

A grant of £25,122 was awarded to us by Viridor Credits to go towards materials and equipment for the interior and exterior renovation. This includes acoustic paneling, garden furniture, tools and equipment for maintenance. This funding will be received in the next financial year.

Private donations of £5,207 were received. The charity also had success in being selected as a Co-Op Local Cause, a scheme through which shoppers can donate to charities. This ended in October 2021 and raised £1,471 for the project.

The majority of costs incurred in the year were for professional fees related to the refurbishment works, and for the ongoing capital work on the chapel and its exterior, as described above.

At the end of the financial year, the Charity's total net asset value was £2,632,249. Of this, £2,484,424 represents the value of the Chapel itself and other fixed assets. Cash reserves were £147,980 of which £122,135 was restricted funding, leaving £25,845 of unrestricted cash reserves, all of which has been allocated to operational requirements in the next financial year.

The charity's long-term reserves policy will aim to build cash reserves of 30% to 45% of operating costs once The Horton has opened – the target timeframe for this is within 5 years of the centre opening.

There are no current uncertainties about the charity's ability to continue as a going concern. There is no fund or subsidiary undertaking that is materially in deficit. The charity has no pension liability; nor does it hold any material financial investments.

The principal risks to the charity during the financial year arose from the collapse of Armfield Construction Ltd and its impact on completion of the construction and refurbishment work according to the professional design team's specifications within the budget from available funding streams. Trustees took legal advice over the administration process, and ensured that professional project managers monitored subsequent contractors closely to ensure the quality of work.

Trustees commissioned further reports into the viability of connecting the building's drainage to mains services for the removal of both foul and surface water. Although the current on-site water treatment design is effective for current operations, a mains connection remains a medium-to long-term ambition. However, this solution is not affordable under current funding arrangements.

Trustees keep a detailed risk register, which is reviewed regularly at board meetings. Now that most of the refurbishment is complete, trustees have identified that the risk profile changes substantially, and becomes more focused on operational matters – particularly that the business plan is robust enough that revenues will be sufficient to service the maintenance and operational costs of the building. The risk of further Covid outbreaks, and the appetite of customers to gather in social spaces will be monitored closely.

Structure, governance and management

The charity is a Charitable Incorporated Organisation, and is governed by a Constitution. The Constitution was amended by the trustees in April 2019 and again in January 2020, in accordance with the clauses enabling such changes.

A Trustees' Code of Conduct sets expectations for best practice and promote good communication between trustees.

New trustees are appointed by existing trustees on terms as set out in the Constitution, which allows for a maximum of 12 trustees on the Board. New trustees are given an induction which involves the provision of key documents, including: Constitution; Code of Conduct; Vision and Values statement; Business Plan and key policies such as Financial Policy and Safeguarding.

No other person or external body is entitled to appoint trustees.

All key strategic decisions are taken collectively by trustees, who met monthly throughout the reporting period.

There was no management team in place for this period, and the Board appointed a Project Manager in an interim role to achieve two key deliverables on behalf of the Board during this period:

Manage the completion works for the renovation and café fit-out, liaising with contractors, suppliers etc. on behalf of the Board.

Manage the day to day running and set-up of the operations for the charity, including system design, and implementation, reporting regularly to the Chair and liaising with the Treasurer where appropriate.

No staff/employees were appointed during this period.



Plans for future periods

The Horton official opening will be held in September 2022, marking a major milestone in the life of the project.

The Trustees will now need to focus on maximising the charity's impact and outcomes in its charitable objectives whilst growing revenues to ensure the long-term sustainability of The Horton as a publicly-accessible venue. This will be a considerable shift in focus from a capital works project to setting up and running an Arts & Heritage centre.

The Horton's programme will focus on creative arts, heritage and related activities that promote well-being, primarily reaching beneficiaries in the borough of Epsom and Ewell and its surrounding areas.

Phased landscaping plans to enhance The Horton Gardens will create an improved amenity for local people, more creative opportunities and a sustainable green space for better well-being.

Detailed 4-year cash flow forecasts have been collated to ensure that the charity's reserves will be sufficient for the organisation to remain a going concern, and support the next phase of setting up an operational business. Key Performance Indicators will be designed to ensure that each element of the Business Plan delivers the necessary returns to keep the charity financially stable.

As part of the business plan a trading subsidiary will be established, which will allow The Horton to undertake commercial activities that are not directly related to the society's charitable objectives.

Reference and administrative details

The charity has the registered charity number 1167510.

The charity is registered as a company number CE007433

The charity's registered address is The Horton Arts Centre, Haven Way, Epsom, KT19 8NP

The table below shows the individuals who were trustees during the financial year 1 March 2021 to 28 February 2022 as well as those in post when the report and accounts were approved.

Trustee	Date Appointed	Date Resignation/ Removal
Kandia Appadoo	16 March 2022	
Kirstie Arnould	25 June 2020	
Ian Reeves	1 March 2016	
Rupert Salmon; Secretary (Mar 16-Present)	1 March 2016	
Graham Saunders	22 November 2018	
Steve Trimm	16 March 2022	
Hugo van Maasakkers	31 August 2021	
Gayle Young; Treasurer (Apr 21-Present)	28 May 2020	
Phil Humphrey	29 October 2018	09 April 2021
Sean Kelly	25 June 2020	22 April 2021
Maria Reeves	1 March 2016	22 June 2021
Yemisi Mokuolu	11 June 2019	14 June 2022
Sophie Wiles; Chair (Feb 21-Sept 22)	22 July 2020	7 September 2022

The charity has no corporate trustees.

No trustee holds, or has held, title to property belonging to the charity.

There were no employed staff during this financial year. Activities were managed, and in many cases carried out, by Trustees volunteering their professional services, supported by freelance consultants reporting to the Board.

Freelance consultants and project managers were paid at market rate checked via professional bodies or guidance from organisations such as RICS and Arts Council England.

Volunteers have played an increasingly important role in the charity's operations, supporting the team in a number of ways, including administration, event stewarding, gardening, as heritage guides. Our volunteer bookkeeper has made a significant contribution to the charity within this period.

During the financial year we continued to keep NLHF and EEBC informed of our project's development through regular progress reports and quarterly progress meetings.

Other relevant organisations:

Banking services: Metro Bank, 91a High Street, Epsom KT19 8DR

Accountants: Bates Weston, The Mills, Canal Street Derby, DE1 2RJ

Independent Review

The report from the independent examiner is attached.

Trustee declaration

The trustees declare they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Names: Gayle Young Rupert Salmon

Position: Treasurer Secretary

Date: 27 November 2022

Principal address of charity: The Horton Arts Centre, Haven Way, Epsom, KT19 8NP

**Independent Examiner's Report to the Trustees of
Horton Chapel Arts and Heritage Society**

Independent examiner's report to the trustees of Horton Chapel Arts and Heritage Society

I report to the charity trustees on my examination of the accounts of Horton Chapel Arts and Heritage Society (the Trust) for the year ended 28 February 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of _ which is one of the listed bodies.

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

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

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

Wayne Thomas ACA
Bates Weston LLP
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

Date: 30 November 2022

Horton Chapel Arts and Heritage Society

Statement of Financial Activities
for the Year Ended 28 February 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	10,678	568,108	578,786	1,178,507
Other trading activities	3	18,074	-	18,074	-
Investment income	4	<u>54</u>	<u>-</u>	<u>54</u>	<u>4</u>
Total		<u>28,806</u>	<u>568,108</u>	<u>596,914</u>	<u>1,178,511</u>
EXPENDITURE ON					
Raising funds	5	11,630	-	11,630	-
Charitable activities	6				
Preservation of The Horton Chapel		-	122,179	122,179	31,900
Total		<u>11,630</u>	<u>122,179</u>	<u>133,809</u>	<u>31,900</u>
NET INCOME		17,176	445,929	463,105	1,146,611
Transfers between funds	12	<u>(1,560)</u>	<u>1,560</u>	<u>-</u>	<u>-</u>
Net movement in funds		15,616	447,489	463,105	1,146,611
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>6,840</u>	<u>2,162,304</u>	<u>2,169,144</u>	<u>1,022,533</u>
TOTAL FUNDS CARRIED FORWARD		<u>22,456</u>	<u>2,609,793</u>	<u>2,632,249</u>	<u>2,169,144</u>

The notes form part of these financial statements

Horton Chapel Arts and Heritage Society

Balance Sheet
28 February 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	9	-	2,484,424	2,484,424	2,055,653
CURRENT ASSETS					
Debtors	10	-	36,505	36,505	16,081
Cash at bank		<u>25,845</u>	<u>122,135</u>	<u>147,980</u>	<u>111,148</u>
		25,845	158,640	184,485	127,229
CREDITORS					
Amounts falling due within one year	11	(3,389)	(33,271)	(36,660)	(13,738)
NET CURRENT ASSETS		<u>22,456</u>	<u>125,369</u>	<u>147,825</u>	<u>113,491</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>22,456</u>	<u>2,609,793</u>	<u>2,632,249</u>	<u>2,169,144</u>
NET ASSETS		<u>22,456</u>	<u>2,609,793</u>	<u>2,632,249</u>	<u>2,169,144</u>
FUNDS	12				
Unrestricted funds				22,456	6,840
Restricted funds:					
Chapel renovation fund				125,369	106,651
Chapel renovation capital fund				<u>2,484,424</u>	<u>2,055,653</u>
				<u>2,609,793</u>	<u>2,162,304</u>
TOTAL FUNDS				<u>2,632,249</u>	<u>2,169,144</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27 November 2022 and were signed on its behalf by:

G Young - Trustee

R Salmon - Trustee

The notes form part of these financial statements

Horton Chapel Arts and Heritage Society

Cash Flow Statement
for the Year Ended 28 February 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	15	<u>466,985</u>	<u>1,150,144</u>
Net cash provided by operating activities		<u>466,985</u>	<u>1,150,144</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(430,207)	(1,089,485)
Interest received		<u>54</u>	<u>4</u>
Net cash used in investing activities		<u>(430,153)</u>	<u>(1,089,481)</u>
 Change in cash and cash equivalents			
in the reporting period		36,832	60,663
Cash and cash equivalents at the			
beginning of the reporting period		<u>111,148</u>	<u>50,485</u>
 Cash and cash equivalents at the end			
of the reporting period		<u>147,980</u>	<u>111,148</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 28 February 2022

Basis of preparing the financial statements

Income

Expenditure

Tangible fixed assets

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

Fixtures and fittings - 20% on cost

Tangible assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

No depreciation is charged until an asset is brought into use.

Taxation

Taxation
The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Government grants

Government grants are recognised in income when the grant proceeds are received or receivable unless future performance-related conditions are specified that have not been met. Grants received before the income recognition criteria are satisfied are recognised as a liability.

Horton Chapel Arts and Heritage Society

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	6,678	2,906
Grants	<u>572,108</u>	<u>1,175,601</u>
	<u>578,786</u>	<u>1,178,507</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
National Lottery Heritage Fund	275,172	622,564
Epsom and Ewell Borough Council	286,045	549,037
True View	-	2,000
Toyota	-	2,000
Tesco	1,000	-
The D'Oyly Carte Charitable Trust	3,000	-
Surrey County Council Members' Community Allocations	<u>6,891</u>	<u>-</u>
	<u>572,108</u>	<u>1,175,601</u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Cafe food/drinks	1,018	-
Performances income	16,576	-
Space hire	<u>480</u>	<u>-</u>
	<u>18,074</u>	<u>-</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>54</u>	<u>4</u>

5. RAISING FUNDS

Other trading activities

	2022	2021
	£	£
Purchases	887	-
Artistic performance costs	<u>10,743</u>	<u>-</u>
	<u>11,630</u>	<u>-</u>

Horton Chapel Arts and Heritage Society

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Preservation of The Horton Chapel	<u>122,179</u>

These costs relate to overheads only. Development costs have been capitalised and are included as a fixed asset (improvements to leasehold property) on the balance sheet.

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 28 February 2022 nor for the year ended 28 February 2021.

Trustees' expenses

During the year ended 28 February 2022, expenses totalling £14 were reimbursed or paid directly to trustees (2021 - £432). £14 for travel (2021 - £196), £NIL for reimbursement of equipment and material costs (2021 -£69) and £NIL for Training Costs (2021: £168).

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,906	1,175,601	1,178,507
Investment income	<u>4</u>	<u>-</u>	<u>4</u>
Total	<u>2,910</u>	<u>1,175,601</u>	<u>1,178,511</u>
 EXPENDITURE ON			
Charitable activities			
Preservation of The Horton Chapel	-	31,900	31,900
NET INCOME	2,910	1,143,701	1,146,611
 RECONCILIATION OF FUNDS			
Total funds brought forward	3,930	1,018,603	1,022,533
 TOTAL FUNDS CARRIED FORWARD	<u><u>6,840</u></u>	<u><u>2,162,304</u></u>	<u><u>2,169,144</u></u>

Horton Chapel Arts and Heritage Society

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

9. TANGIBLE FIXED ASSETS

	Improve- ments to leasehold property £	Fixtures and fittings £	Totals £
COST			
At 1 March 2021	2,055,653	-	2,055,653
Additions	<u>423,028</u>	<u>7,179</u>	<u>430,207</u>
At 28 February 2022	<u>2,478,681</u>	<u>7,179</u>	<u>2,485,860</u>
DEPRECIATION			
Charge for year	<u>-</u>	<u>1,436</u>	<u>1,436</u>
NET BOOK VALUE			
At 28 February 2022	<u>2,478,681</u>	<u>5,743</u>	<u>2,484,424</u>
At 28 February 2021	<u>2,055,653</u>	<u>-</u>	<u>2,055,653</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	22	100
Other debtors	2,512	-
Prepayments and accrued income	<u>33,971</u>	<u>15,981</u>
	<u>36,505</u>	<u>16,081</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	23,828	8,638
Other creditors	2,362	-
Accruals and deferred income	<u>10,470</u>	<u>5,100</u>
	<u>36,660</u>	<u>13,738</u>

12. MOVEMENT IN FUNDS

	At 1.3.21 £	Net movement in funds £	Transfers between funds £	At 28.2.22 £
Unrestricted funds				
General fund	6,840	17,176	(1,560)	22,456
Restricted funds				
Chapel renovation fund	106,651	426,382	(407,664)	125,369
Chapel renovation capital fund	<u>2,055,653</u>	<u>19,547</u>	<u>409,224</u>	<u>2,484,424</u>
	<u>2,162,304</u>	<u>445,929</u>	<u>1,560</u>	<u>2,609,793</u>
TOTAL FUNDS	<u>2,169,144</u>	<u>463,105</u>	<u>-</u>	<u>2,632,249</u>

Horton Chapel Arts and Heritage Society

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	28,806	(11,630)	17,176
Restricted funds			
Chapel renovation fund	551,073	(124,691)	426,382
Chapel renovation capital fund	<u>17,035</u>	<u>2,512</u>	<u>19,547</u>
	<u>568,108</u>	<u>(122,179)</u>	<u>445,929</u>
TOTAL FUNDS	<u>596,914</u>	<u>(133,809)</u>	<u>463,105</u>

Comparatives for movement in funds

	At 1.3.20 £	Net movement in funds £	Transfers between funds £	At 28.2.21 £
Unrestricted funds				
General fund	3,930	2,910	-	6,840
Restricted funds				
Chapel renovation fund	1,018,603	1,143,701	(2,055,653)	106,651
Chapel renovation capital fund	<u>-</u>	<u>-</u>	<u>2,055,653</u>	<u>2,055,653</u>
	<u>1,018,603</u>	<u>1,143,701</u>	<u>-</u>	<u>2,162,304</u>
TOTAL FUNDS	<u>1,022,533</u>	<u>1,146,611</u>	<u>-</u>	<u>2,169,144</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,910	-	2,910
Restricted funds			
Chapel renovation fund	1,175,601	(31,900)	1,143,701
	<u>1,178,511</u>	<u>(31,900)</u>	<u>1,146,611</u>
TOTAL FUNDS	<u>1,178,511</u>	<u>(31,900)</u>	<u>1,146,611</u>

Horton Chapel Arts and Heritage Society

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

12. MOVEMENT IN FUNDS - continued

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

	At 1.3.20 £	Net movement in funds £	Transfers between funds £	At 28.2.22 £
Unrestricted funds				
General fund	3,930	20,086	(1,560)	22,456
Restricted funds				
Chapel renovation fund	1,018,603	1,570,083	(2,463,317)	125,369
Chapel renovation capital fund	-	19,547	2,464,877	2,484,424
	<u>1,018,603</u>	<u>1,589,630</u>	<u>1,560</u>	<u>2,609,793</u>
TOTAL FUNDS	<u>1,022,533</u>	<u>1,609,716</u>	<u>-</u>	<u>2,632,249</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	31,716	(11,630)	20,086
Restricted funds			
Chapel renovation fund	1,726,674	(156,591)	1,570,083
Chapel renovation capital fund	<u>17,035</u>	<u>2,512</u>	<u>19,547</u>
	<u>1,743,709</u>	<u>(154,079)</u>	<u>1,589,630</u>
TOTAL FUNDS	<u>1,775,425</u>	<u>(165,709)</u>	<u>1,609,716</u>

Restricted funds

Restricted income includes grants from the Heritage Lottery Fund and Section 106 grant funding. These were granted specifically to contribute towards the redevelopment of Horton Chapel and are therefore restricted. All expenditure through the Statement of Financial Activities relating to the redevelopment of Horton Chapel is included within the restricted fund.

Transfers between funds

The transfer between the restricted and the restricted fixed asset fund represents the net book value of improvements to leasehold property as at the reporting date.

Horton Chapel Arts and Heritage Society

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

13. CONTINGENT LIABILITIES

Armfield Construction Ltd went into administration in March 2021, leaving significant portions of the main refurbishment contract incomplete. A retention of 5% of the total work carried out by Armfield was retained by the Charity over the course of the contract, with a final value of £70,148. The administration process is ongoing, and the Charity has raised a counterclaim with the administrators to be removed from Armfield Construction's outstanding debtors due to the incomplete and poorly finished work. We have not had final confirmation from the administrators that this process has been completed, and therefore it is possible that this amount may become payable in future. We anticipate that the administration process will be concluded within the next financial year.

14. RELATED PARTY DISCLOSURES

M Reeves carried out work in capacity of project manager for the charity. Whilst on the board of Trustees work to the value of £10,200 was invoiced with a further £24,600 invoiced in the financial year after resigning as a Trustee. At the year-end there is £NIL owing in respect of project management to M Reeves.

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	463,105	1,146,611
Adjustments for:		
Depreciation charges	1,436	-
Interest received	(54)	(4)
Increase in debtors	(20,424)	(4,351)
Increase in creditors	<u>22,922</u>	<u>7,888</u>
Net cash provided by operations	<u>466,985</u>	<u>1,150,144</u>

16.. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.3.21 £	Cash flow £	At 28.2.22 £
Net cash			
Cash at bank	<u>111,148</u>	<u>36,832</u>	<u>147,980</u>
	<u>111,148</u>	<u>36,832</u>	<u>147,980</u>
Total	<u>111,148</u>	<u>36,832</u>	<u>147,980</u>