

REGISTERED CHARITY NUMBER: 1167510

**Report of the Trustees and**  
**Unaudited Financial Statements**  
**for the Year Ended 28 February 2023**  
**for**  
**Horton Chapel Arts and Heritage Society**

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

**Horton Chapel Arts and Heritage Society**

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**for the Year Ended 28 February 2023**

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**Horton Chapel Arts and Heritage Society**

**Reference and Administrative Details**  
**for the Year Ended 28 February 2023**

**TRUSTEES**

I Reeves (resigned 30.6.2023)  
R Salmon -Secretary  
K Arnould (resigned 30.6.2023)  
G Saunders  
Y Mokuolu (resigned 14.6.2022)  
G C Young  
S Wiles - Chair (resigned 30.9.2023)  
H van Maasakkers (resigned 30.9.2023)  
S R Trimm (appointed 16.3.2022)  
Mrs K Appadoo (appointed 16.3.2022)

**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

# *the* **HORTON** EPSOM

## **Horton Chapel Arts & Heritage Society**

Registered Charity 1167510

### **Annual Report and Accounts for 2022-23**



The Horton is a new, vibrant venue for arts and heritage in Epsom, Surrey.

The formerly semi-derelict Horton Asylum Chapel was saved by registered charity Horton Chapel Arts & Heritage Society (HCAHS), a Trust set up specifically to undertake the renovation project and run The Horton as a not-for-profit cultural venue, providing amenities, education and enterprise opportunities for local people.

## **Objectives and activities**

### **The charitable aims of The Horton (HCAHS)**

- To preserve 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 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.



## **About The Horton**

The Horton, also known as The Horton Arts Centre, is a site of national historical importance. Built in 1901, it has a pioneering history of mental health care and was Europe's first music therapy centre from the 1950s.

Following a six-year project to raise funds and renovate the building, The Horton officially opened to the public on 28<sup>th</sup> April 2022.

The venue hosts creative arts workshops, performances, community events, and a free-to-access permanent exhibition about the history of Epsom's psychiatric hospital cluster and the people who lived and worked there.

The heritage of the site is embedded into the culture of our public programme and retained in the architectural and decorative detail of the building.

The Horton's Café provides a community hub where local people can meet, eat and drink together.

## **Our mission**

The Horton draws upon its rich history and seeks to celebrate creativity and inclusivity.

- for visitors to learn about local heritage, and enjoy an exciting cultural programme of events, courses, and activities.
- to be an accessible community asset that local people feel proud of, and emotionally invested in.
- to explore historic and contemporary issues around mental health and its treatment. Seeking to change attitudes towards mental health, and to be a place where people with mental health considerations are actively involved and feel safe and welcome.
- to be a place where creativity is celebrated, and skills development within the creative sector is fostered.
- for artistic programming to be innovative and high-quality, offering something that is not otherwise available in the locality.

## **Activities Summary**

For most of the period of this report (April 2022 - February 2023) The Horton was open to the public three or four days per week, whilst renovation works were being completed on days that the building was closed. Hence, the staff team and board of trustees were managing project work and operations at the same time.

## **Renovation Project**

The period saw completion of most elements of the refurbishment and restoration of the building and was a significant step towards achieving one of the primary charitable aims. This work included but was not limited to:

- Café-bar and kitchen fit-out
- Car park completion
- Acoustic panelling installation
- Final decoration
- Internal signage
- Alarm systems and network
- Accessibility improvements – automatic doors and ramps
- Outdoor café seating

### **Operational readiness**

Licenses, service agreements and maintenance contracts were secured, with policies and procedures prepared for safe and compliant operations.

Staff were recruited for permanent roles, with training where required.

Operational systems were created for activities including but not limited to: ticketing, payment processing, hospitality, IT and HR.

The Horton continued to build relationships with local stakeholders, offering opportunities for skills training, including Professional Practice Placements for students from the University for the Creative Arts, work placements for Professional Cookery students from NESOT college, graduate internships in marketing and design, and a Kickstarter role.

### **Launch**

Public opening of The Horton in April 2022 was marked with an exhibition of original drawings by artist Georgia Kitty Harris of former patients, *'Portraits of the Unremembered'* and the launch of a programme of performances, heritage talks, creative workshops and community activities.





The formal launch event of the renovated building took place in September 2022, with invited guests and supporters marking this highly significant milestone in the charity's history.

### Community

The team at The Horton has continued networking and partnership building with other local charities and community groups.

Phase one of the Young Creatives project was completed, funded in part by an #IWill grant. This is a scheme the charity would like to build on if funding can be secured.

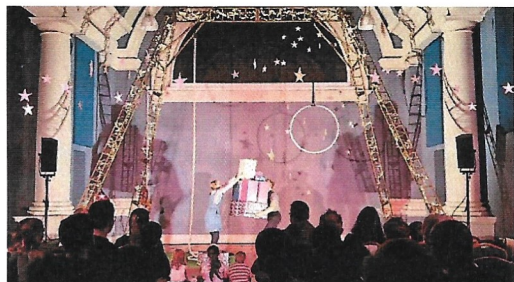
Volunteers were trained in supporting the team with various day-to-day tasks as well as visitor engagement.

### Creative Programme

During this reporting period, The Horton hosted live music, dance and theatre performances, films, visual arts courses and workshops, comedy nights, wellbeing activities and experiential and heritage events.

Programming included:

- **Live music:** from Jaz Delorean, Blunter Brothers, Belinda O'Hooley, Cable Street Collective, Kingswood Big Band, The Waldegrave Ensemble, Denman Street Quartet, and many individuals and duos performing at acoustic Singer-Songwriter Nights hosted by Dragonfly Sky.
- **Theatre:** *Room of One's Own* by Dyad Productions, *These Hills Are Ours* by Daniel Bye and Boff Whalley, *Kinder* by Smoking Apples, *Bouncers* by BlackBox.
- **Scratch Night** as a platform for early-career performers.
- **Visual Arts:** life drawing, sheep life drawing, needlefelt, abstract acrylics, watercolour wildlife, ikebana, jewellery-making, portrait drawing techniques.
- **Children & family:** *The Hug and Hullabaloony Moon* by Long Nose Puppets, *Granny Pearl* by Jenny Lockyer, creative messy play for toddlers, crazy clay and festive season run of aerial circus show *Moonfall* from Hikapee Theatre.
- **Heritage:** Talks on Epsom's hospital history and Horton as a war hospital, Jubilee Jive and 1952 Hair Salon exhibition to commemorate the Queen's coronation, ceramic flower painting with Friends of Horton Cemetery in memory of





those buried in unmarked graves.

- **Spanish Season** of dance and music events supported by the Spanish Department of Culture.

And much more.

## Achievements and performance

In March 2022, just prior to opening to the public, The Horton was named overall winner of the Surrey Heritage Awards 2022 organised by Surrey Historic Buildings Trust with the award presented by Lord-Lieutenant Michael More-Molyneux.

In a very short time, The Horton has gained a positive reputation for quality and the successful launch of an ambitious vision. The venue is already seen as a valuable community hub by those who live and work in Epsom and surrounding areas and is increasingly being accessed by people and organisations from the wider Surrey and South London region.

During this financial year, primarily supported by funding from the National Lottery Heritage Fund (NLHF) and developers' Section 106 funding, administered by Epsom & Ewell Borough Council, we have:

### Rescued and restored a heritage asset

The project has restored and conserved a Grade II listed building that had been empty for more than two decades, and otherwise might still be empty today and in a poorer state of decline. Professional and public opinion has been extremely positive.



### Created a new community space

A unique new cultural and social space has been created for Epsom, where people can come together to watch performances, enjoy creative workshops, bring their children, or simply meet friends for coffee. The Horton is reaching disadvantaged people in the local area. Viridor Credits (now Valencia) provided significant additional funding for various capital items.

### Fostered creativity and promoted skills development

The Horton has provided internships; one traineeship; work experience for local professional catering students; approximately 50 volunteering opportunities, Duke of Edinburgh placements and a Young Creatives programme for 10-15 year-olds part-funded by "I Will Foundation". The Young Creatives were invited to join the Royal Guard of Honour at the 2022 Epsom Derby, as acknowledgment of their community participation.



The Horton's *Cultivate* programme, part-funded by The D'Oyly Carte Charitable Trust, supported emerging performance artists – Company Concentric, No Eye Deer and Ciara Gayer with research and development space and a platform to share their work at a 'Pay What You Can' Scratch Night.



### **Interpreted the heritage of the site**

The heritage of the hospital cluster has been sensitively researched, interpreted and shared in the first permanent exhibition on the subject, and online. New creative responses to the stories of people at the hospital have engaged people in imaginative ways, and visitors have responded positively. New public artwork by Eliza Southwood at Epsom Railway Station depicts The Horton Arts Centre and its history of music therapy.

### **Enhanced the local economy.**

The Horton has created new jobs, new supply chains, and there are early signs that it is bringing more people into the area who are spending elsewhere in the local economy. It is adding to the cultural offer for Epsom and will be a key player in the region's cultural strategy for the future. The charity has become a voluntary membership of the Go Epsom Business Improvement District, giving us access to a network of local businesses and associated marketing opportunities.

During our first part-year open

- 5,000+ people attended a performance, course or workshop
- 20,000+ visitors had seen the free heritage exhibition
- 10,000+ people had eaten in the café

The recruitment of a permanent staff team was completed in summer 2022. Prior to that, the operation during the early launch period had been managed by a team on short fixed-term contracts. The Horton is managed by a small staff team including a centre manager who manages day-to-day operations and the staff team, an administration co-ordinator, a sales and marketing co-ordinator, a finance coordinator, a hospitality manager, a facilities co-ordinator and an assistant hospitality manager. These are a mixture of full-time and part-time contracts. They are supported by casual café and cleaning staff.

The soft launch period, in which the building was open for 3 days per week, was successful more quickly than anticipated, enabling the team to move to a 4-day per week opening, and subsequently preparing for a 5-day per week opening from the spring of 2023.

The permanent heritage exhibition continues to attract visitors in its own right, as well as providing historic context to the building for those who are attending our programme of

cultural events and workshops. The exhibition, which is free to access for all visitors, includes artefacts, images, audio recordings and digital resources including testimonies of staff and patients of the Epsom Hospital Cluster from throughout the 20<sup>th</sup> century. This important



aspect of the project brings to life the heritage of the site and the hospital cluster for visitors who are unaware of its fascinating history.

A team of Volunteers in addition to our trustees, continue to play an important role in the charity's operations, supporting the professional staff team in a number of ways, including front-of-house, café, administration, HR, finance, gardening, and as heritage guides and other support functions.

### **Evaluation**

An interim evaluation was produced by independent consultant Anna Cullum during this period, with the final evaluation report, is due to be submitted to our main capital funder, National Lottery Heritage Fund (NLHF), in the summer of 2023.

The criteria we used to assess our performance during this reporting period were set out in our Evaluation Framework. This was informed by our Vision and Values Statement and the conditions under which our grant funding was awarded by the NLHF in the Approved Purposes of our grant agreement.

## **Financial Review**

### **Donations and Grant Funding**

The £3m renovation project was funded primarily by the National Lottery Heritage Fund (NLHF) and s106 community infrastructure contributions from developers, administered by Epsom & Ewell Borough Council.

Grant funding from the NLHF totaling £162,858 was deployed during the financial year, along with S106 funding of £139,773, 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.

During the reporting period, we successfully applied for an additional £209,500 project funding from the NLHF to supplement the original grant. This was to cover additional costs associated with delays to the refurbishment works because of the Covid-19 pandemic and the administration of the principal building contractor. It was also to fund additional future management & maintenance costs projected during the start-up phase of the operation of the building as an arts centre.

A grant of £18,781 was received from Valencia Credits (previously Viridor Credits) to go towards materials and equipment for the interior and exterior renovation. These included



acoustic panelling, garden furniture, tools and equipment including a Tallescope system for maintenance at ceiling level.

A one-off gift of £10,168 was received from MGS04 Arts Festival to benefit the artistic pursuits of The Horton. This gift was made with the stipulation that it is to be used for artistic programming of works and to help to reach under-served audiences, and it has therefore been included in restricted funding. £9,868 of this funding has been deferred to fund activities in the next financial year. Funding of £1,536 was also received from Accio Cultura Espana to facilitate our Spanish season of dance and music events.

Funding of £5,579 was received from the UK Government Kickstart Scheme which provided funding for new jobs for young people at risk of long term unemployment. This funding was used to employ a Visitor Assistant.

Private donations of £5,017 were received.

### **Trading Activities**

Income of £187,798 was generated from our café, creative programming and hire of the venue. After costs, these activities contributed £52,558 to the Charity's unrestricted funds.

Overheads included staffing costs, office costs and utility services, as well as further refurbishment works related to the preservation of the Chapel, as described above.

### **Net Assets and Cash Position**

At the end of the financial year, the Charity's total net asset value was £2,751,413. Of this, £2,509,645 is the total asset value of the Chapel itself and other tangible assets.

Cash reserves totalled £214,497, of which £135,288 was restricted funding relating to the remainder of the renovation project and ongoing management and maintenance costs, leaving £79,209 of unrestricted cash reserves.

The charity's reserves policy is to hold sufficient unrestricted cash reserves to ensure the financial viability of the organisation in the event of temporary closure or significant changes to the business plan. A target of sufficient free reserves to cover one year's annual maintenance costs and notice on the building plus three months' general overheads and six months' staffing costs has been set. The Board aims to achieve this by scaling up the Charity's activities in the coming financial year.

Cash reserves are held in cash accounts at Metro Bank.

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 does not hold any material financial investments.

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.

The principal risks to the charity during the financial year arose from ensuring that the growth of the operation was carefully managed to ensure staffing levels remain appropriate for the increased number of events and longer opening hours, whilst continuing to manage capital works.

Trustees keep a detailed risk register, which is reviewed regularly at board meetings. Now that the capital refurbishment is complete, this risk profile changes substantially, and becomes more focused on operational matters, long-term sustainability and ensuring staff capacity is aligned with our plans for growth.

### **Plans for future periods**

The charity continues to develop and test new activities and income, and review The Horton's strategy based on operational learnings, visitor feedback and our charitable objectives.

Community stakeholders report seeing The Horton as a 'point of call for engaging with the community,' particularly for connecting with people and charities concerned with mental health, and this perception will build The Horton's value as a community asset. We want to ensure that we continue to consult and develop with our community in order to stay relevant.

The Horton embraces diversity and equal opportunity. We are committed to building a team that represents a variety of backgrounds, perspectives, and skills. The more inclusive we are, the better our work will be. This applies to the board, the staff team, our volunteers and artists. We will continue to self-monitor and challenge ourselves to bring together people with diverse experiences, skills, and perspectives, to create a more inclusive and vibrant arts and heritage community in Epsom.

Our phased plans to fully open The Horton Gardens are dependent on further fundraising. A grant of £49,995 from Epsom & Ewell Borough Council CIL, awarded but not paid in this period, must be match-funded, and we are awaiting the outcome of an application to Surrey County Council's *Your Fund Surrey*.

Accessible paths and an attractive landscaping scheme will create an improved amenity for local people, more creative opportunities and a sustainable green space for better well-being.

### **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 promotes 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; 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 approved collectively by trustees, who met monthly throughout the reporting period. The Board strategy day evaluates priorities for the year ahead and ensures that the charity's policies and procedures are up to date.

Under current arrangements, the board is chaired on a rotating basis, with all trustees taking chair responsibility for one month and for setting agendas and steering meetings.

A trading subsidiary has been established, The Horton Epsom Ltd, *which will facilitate The Horton in undertaking commercial activities that are not directly related to the society's charitable objectives, including the operation of The Horton's Café-Bar. Profits will be donated to the charity.* Work will continue to ensure the governance of the two organisation's is appropriate, efficient and aligned to our culture and values.

The Centre Manager, supported by the staff team, is responsible for operational management of The Horton, including artistic programming, and reports monthly to the board of trustees and will also be reporting to the directors of the charity's trading subsidiary The Horton Epsom Ltd.

Trustees will continue their focus on resilience and sustainability aligned with The Horton's aims, vision and values. While doing this work, the Board of Trustees, who govern the charity, have had regard to the Charity Commission's guidance on public benefit.

## 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, Surrey KT19 8NP

The table below shows the individuals who were trustees during the financial year 1 March 2022 to 28 February 2023 as well as those in post when the accounts were approved.

Ian Reeves		Until June 2023
Rupert Salmon	Secretary	
Kirstie Arnould		Until June 2023
Graham Saunders		
Yemisi Mokuolu		Until July 2022



Sophie Wiles	Chair from February 2021 until September 2022	Until September 2022
Gayle Young	Treasurer from April 2021	From May 2020
Hugo van Maasakkers	From August 2021	Until September 2023
Steve Trimm		From March 2022
Kandia Appadoo		From March 2022

The charity has no corporate trustees.

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

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 follows this report.

### Trustee declaration

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

Signed on behalf of the charity's trustees.

Names:  
Position:  
Date:

  
Gayle Young  
Treasurer  
11/12/2023

  
Rupert Salmon  
Secretary  
11/12/2023

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 2023.

**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 member of the Institute of Chartered Accountants in England and Wales, 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: .....

**Horton Chapel Arts and Heritage Society**

**Statement of Financial Activities  
for the Year Ended 28 February 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	5,017	328,827	333,844	578,786
Other trading activities	3	192,778	157	192,935	18,074
Investment income	4	137	-	137	54
<b>Total</b>		<u>197,932</u>	<u>328,984</u>	<u>526,916</u>	<u>596,914</u>
 <b>EXPENDITURE ON</b>					
Raising funds	5	135,240	-	135,240	11,630
<b>Charitable activities</b>	6				
Preservation of The Horton Chapel		-	272,512	272,512	122,179
<b>Total</b>		<u>135,240</u>	<u>272,512</u>	<u>407,752</u>	<u>133,809</u>
 <b>NET INCOME</b>					
Transfers between funds	14	62,692 (1,770)	56,472 1,770	119,164 -	463,105 -
<b>Net movement in funds</b>		<u>60,922</u>	<u>58,242</u>	<u>119,164</u>	<u>463,105</u>
 <b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		22,456	2,609,793	2,632,249	2,169,144
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>83,378</u></u>	<u><u>2,668,035</u></u>	<u><u>2,751,413</u></u>	<u><u>2,632,249</u></u>





# Horton Chapel Arts and Heritage Society

## Balance Sheet 28 February 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	-	2,509,645	2,509,645	2,484,424
<b>CURRENT ASSETS</b>					
Stocks	11	5,939	-	5,939	-
Debtors	12	-	85,900	85,900	36,505
Cash at bank and in hand		79,209	135,288	214,497	147,980
		<u>85,148</u>	<u>221,188</u>	<u>306,336</u>	<u>184,485</u>
<b>CREDITORS</b>					
Amounts falling due within one year	13	(1,770)	(62,798)	(64,568)	(36,660)
<b>NET CURRENT ASSETS</b>		<u>83,378</u>	<u>158,390</u>	<u>241,768</u>	<u>147,825</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>83,378</u>	<u>2,668,035</u>	<u>2,751,413</u>	<u>2,632,249</u>
<b>NET ASSETS</b>		<u>83,378</u>	<u>2,668,035</u>	<u>2,751,413</u>	<u>2,632,249</u>
<b>FUNDS</b>	14				
Unrestricted funds				83,378	22,456
Restricted funds:					
Chapel renovation fund				158,390	125,369
Chapel renovation capital fund				2,509,645	2,484,424
				<u>2,668,035</u>	<u>2,609,793</u>
<b>TOTAL FUNDS</b>				<u>2,751,413</u>	<u>2,632,249</u>

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

  
.....  
G C Young - Trustee

  
.....  
R Salmon - Trustee

**Horton Chapel Arts and Heritage Society**

**Cash Flow Statement**  
**for the Year Ended 28 February 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	16	149,979	466,985
Net cash provided by operating activities		<u>149,979</u>	<u>466,985</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(83,599)	(430,207)
Interest received		137	54
Net cash used in investing activities		<u>(83,462)</u>	<u>(430,153)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>66,517</u>	<u>36,832</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>147,980</u>	<u>111,148</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>214,497</u></u>	<u><u>147,980</u></u>

## **Horton Chapel Arts and Heritage Society**

### **Notes to the Financial Statements** **for the Year Ended 28 February 2023**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

##### **Income**

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

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Tangible fixed assets**

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

Improvements to leasehold property	- 2% on cost
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.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **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 2023**

**2. DONATIONS AND LEGACIES**

	2023	2022
	£	£
Donations	5,017	6,678
Grants	328,827	572,108
	<u>333,844</u>	<u>578,786</u>

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

	2023	2022
	£	£
National Lottery Heritage Fund	162,858	275,172
Epsom and Ewell Borough Council	139,773	286,045
Tesco	-	1,000
The D'Oyly Carte Charitable Trust	-	3,000
Surrey County Council Members' Community Allocations	-	6,891
Kickstart Fund	5,579	-
Accio Cultura Espana	1,536	-
Valencia Credits (previously Viridor)	18,781	-
MGS04	300	-
	<u>328,827</u>	<u>572,108</u>

**3. OTHER TRADING ACTIVITIES**

	2023	2022
	£	£
Cafe food/drinks	95,965	1,018
Performances income	56,552	16,576
Workshop and courses	23,541	-
Space hire	11,740	480
Other income	157	-
Employment allowance	4,980	-
	<u>192,935</u>	<u>18,074</u>

**4. INVESTMENT INCOME**

	2023	2022
	£	£
Deposit account interest	<u>137</u>	<u>54</u>

**Horton Chapel Arts and Heritage Society**

**Notes to the Financial Statements - continued**  
**for the Year Ended 28 February 2023**

**5. RAISING FUNDS**

**Other trading activities**

	2023	2022
	£	£
Purchases	82,709	887
Workshops and courses	9,690	-
Artistic performance costs	40,233	10,743
Space hire	2,608	-
	<u>135,240</u>	<u>11,630</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £
Preservation of The Horton Chapel	<u>272,512</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 2023 nor for the year ended 28 February 2022.

**Trustees' expenses**

During the year ended 28 February 2023, expenses totalling £228 were reimbursed or paid directly to trustees (2022 - £14).

**8. STAFF COSTS**

	2023	2022
	£	£
Wages and salaries	90,982	-
Social security costs	4,980	-
Contribution to defined contribution pension schemes	1,294	-
	<u>97,256</u>	<u>-</u>

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Charitable service work	9	-



**Horton Chapel Arts and Heritage Society**

**Notes to the Financial Statements - continued  
for the Year Ended 28 February 2023**

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

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

**10. TANGIBLE FIXED ASSETS**

	Improvements to leasehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 March 2022	2,478,681	7,179	2,485,860
Additions	51,940	31,659	83,599
At 28 February 2023	<b>2,530,621</b>	<b>38,838</b>	<b>2,569,459</b>
<b>DEPRECIATION</b>			
At 1 March 2022	-	1,436	1,436
Charge for year	50,612	7,766	58,378
At 28 February 2023	<b>50,612</b>	<b>9,202</b>	<b>59,814</b>
<b>NET BOOK VALUE</b>			
At 28 February 2023	<b>2,480,009</b>	<b>29,636</b>	<b>2,509,645</b>
At 28 February 2022	<b>2,478,681</b>	<b>5,743</b>	<b>2,484,424</b>



**Horton Chapel Arts and Heritage Society**

**Notes to the Financial Statements - continued  
for the Year Ended 28 February 2023**

**11. STOCKS**

	2023	2022
	£	£
Stocks	5,939	-

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

	2023	2022
	£	£
Trade debtors	180	22
Other debtors	6,253	2,512
Prepayments and accrued income	79,467	33,971
	<u>85,900</u>	<u>36,505</u>

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

	2023	2022
	£	£
Trade creditors	21,361	23,828
Social security and other taxes	1,558	-
Other creditors	22,768	2,362
Accruals and deferred income	18,881	10,470
	<u>64,568</u>	<u>36,660</u>

**14. MOVEMENT IN FUNDS**

	At 1.3.22 £	Net movement in funds £	Transfers between funds £	At 28.2.23 £
<b>Unrestricted funds</b>				
General fund	22,456	62,692	(1,770)	83,378
<b>Restricted funds</b>				
Chapel renovation fund	125,369	6,257	26,764	158,390
Chapel renovation capital fund	2,484,424	50,215	(24,994)	2,509,645
	<u>2,609,793</u>	<u>56,472</u>	<u>1,770</u>	<u>2,668,035</u>
<b>TOTAL FUNDS</b>	<u>2,632,249</u>	<u>119,164</u>	<u>-</u>	<u>2,751,413</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	197,932	(135,240)	62,692
<b>Restricted funds</b>			
Chapel renovation fund	220,391	(214,134)	6,257
Chapel renovation capital fund	108,593	(58,378)	50,215
	<u>328,984</u>	<u>(272,512)</u>	<u>56,472</u>
<b>TOTAL FUNDS</b>	<u>526,916</u>	<u>(407,752)</u>	<u>119,164</u>

**Horton Chapel Arts and Heritage Society**

**Notes to the Financial Statements - continued  
for the Year Ended 28 February 2023**

**14. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

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

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

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

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

	At 1.3.21 £	Net movement in funds £	Transfers between funds £	At 28.2.23 £
<b>Unrestricted funds</b>				
General fund	6,840	79,868	(3,330)	83,378
<b>Restricted funds</b>				
Chapel renovation fund	106,651	432,639	(380,900)	158,390
Chapel renovation capital fund	2,055,653	69,762	384,230	2,509,645
	<u>2,162,304</u>	<u>502,401</u>	<u>3,330</u>	<u>2,668,035</u>
<b>TOTAL FUNDS</b>	<u>2,169,144</u>	<u>582,269</u>	<u>-</u>	<u>2,751,413</u>

## **Horton Chapel Arts and Heritage Society**

### **Notes to the Financial Statements - continued for the Year Ended 28 February 2023**

#### **14. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	226,738	(146,870)	79,868
<b>Restricted funds</b>			
Chapel renovation fund	771,464	(338,825)	432,639
Chapel renovation capital fund	125,628	(55,866)	69,762
	<u>897,092</u>	<u>(394,691)</u>	<u>502,401</u>
<b>TOTAL FUNDS</b>	<u><u>1,123,830</u></u>	<u><u>(541,561)</u></u>	<u><u>582,269</u></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.

#### **15. RELATED PARTY DISCLOSURES**

Whilst on the board of trustees, Steve Trimm completed some work as an art tutor and was paid the charity's standard hourly rate for teaching time only and invoiced the charity as a freelancer. Work to the value of £1,430 (2022: £NIL) was invoiced to the charity. At the year-end there is £NIL owing in respect of the services provided.

#### **16. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	119,164	463,105
<b>Adjustments for:</b>		
Depreciation charges	58,378	1,436
Interest received	(137)	(54)
Increase in stocks	(5,939)	-
Increase in debtors	(49,395)	(20,424)
Increase in creditors	27,908	22,922
<b>Net cash provided by operations</b>	<u><u>149,979</u></u>	<u><u>466,985</u></u>

#### **17. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.3.22 £	Cash flow £	At 28.2.23 £
<b>Net cash</b>			
Cash at bank and in hand	147,980	66,517	214,497
	<u>147,980</u>	<u>66,517</u>	<u>214,497</u>

**Horton Chapel Arts and Heritage Society**

**Notes to the Financial Statements - continued**  
**for the Year Ended 28 February 2023**

**17. ANALYSIS OF CHANGES IN NET FUNDS - continued**

<b>Total</b>	<b><u>147,980</u></b>	<b><u>66,517</u></b>	<b><u>214,497</u></b>
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