# THE LAKE DISTRICT CALVERT TRUST

England & Wales · Charity number 270923

## Details

| | |
|---|---|
| **Other names** | THE CALVERT TRUST (CHALLENGE FOR THE DISABLED), CALVERT TRUST - KESWICK |
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 01240160 |
| **Registered** | 1976-03-17 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Lake District<br>Calvert Trust Keswick<br>Underskiddaw<br>Keswick<br>CA12 4QD |
| **Phone** | 01768772255 |
| **Email** | finance@calvertlakes.org.uk |
| **Website** | www.calvertlakes.org.uk |

## Activities

**Objects:** THE RELIEF OF DISABLED PERSONS BY: (A) THE PROVISION OF SPECIALISED FACILITIES WITHIN THE LAKE DISTRICT NATIONAL PARK;(B) EDUCATING AND SUPPLYING INFORMATION AND SERVICES TO OTHER PROVIDERS OF OUTDOOR PURSUITS AND ACTIVITIES IN ORDER TO IMPROVE THOSE PROVIDERS OWN SERVICE TO PEOPLE WITH DISABILITIES ; AND/OR(C) PROVIDING AND FACILITATING OUTDOOR PURSUITS ACTIVITIES TO PEOPLE WITH DISABILITIES (WHETHER IN THE LAKE DISTRICT NATIONAL PARK OR ELSEWHERE IN THE UNITED KINGDOM OR OVERSEASWITH THE OBJECT OF IMPROVING THE CONDITIONS IN LIFE FOR PEOPLE WITH DISABILITY AND AIMING TO ENSURE THAT DISABLED PEOPLE CAN BENEFIT FROM OUTDOOR ACTIVITIES IN THE SAME OR SUBSTANTIALLY THE SAME WAY AS ABLE BODIED PEOPLE.

**Activities:** The Lake District Calvert Trust aim to enable people with disabilities, together with their families and friends, to achieve their potential through the challenge of outdoor adventure in the countryside.

Downloaded from opencharities.uk/ew/270923

## Classification

- **How:** Provides Services
- **What:** Disability
- **Who:** People With Disabilities

## Geography

- Cumbria

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2024-11-30 | £2,625,149 | £3,428,092 | £3,966,779 | 76 |
| 2023-11-30 | £2,990,328 | £3,530,846 | £4,765,422 | 80 |
| 2022-11-30 | £2,140,286 | £2,909,345 | £5,303,697 | 69 |
| 2021-11-30 | £2,686,500 | £2,202,305 | £6,099,959 | 62 |
| 2020-11-30 | £1,134,984 | £1,871,383 | £5,611,958 | 61 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| Anne Louise dunn | | 2021-11-27 |
| Anthony David Glynn | | 2020-11-30 |
| Charlotte Hubbard | | 2025-04-25 |
| Emily Jane Flynn | | 2021-11-27 |
| Hannah Richardson | | 2023-02-27 |
| Ian Stuart Lowthian | | 2018-07-22 |
| Martin Mullin | | 2016-11-26 |
| Myles Thompson | | 2024-04-26 |
| Srinivas Madipalli | | 2023-07-21 |

Downloaded from opencharities.uk/ew/270923

**THE LAKE DISTRICT CALVERT TRUST**

England & Wales - Charity number 270923

# Accounts

Company Registration no: 01240160
Charity Registration no: 270923

# THE LAKE DISTRICT CALVERT TRUST

**(A company limited by guarantee)**

Calvert Trust
Challenging Disability Through Outdoor Adventure
Lake District

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 NOVEMBER 2024

WEDNESDAY

*AE2JNX4W*
A18 14/05/2025 #189
COMPANIES HOUSE

THE LAKE DISTRICT CALVERT TRUST
(A company limited by guarantee)

CONTENTS


| | Page |
|---|---|
| Reference and administrative details of the Company, its Trustees and advisers | 1 - 2 |
| Chair's statement | 3 - 4 |
| Trustees' report | 5 - 13 |
| Statement of trustees' responsibilities | 14 |
| Independent auditor's report on the financial statements | 15 - 18 |
| Statement of financial activities | 19 |
| Balance sheet | 20 - 21 |
| Statement of cash flows | 22 |
| Notes to the financial statements | 23 - 48 |

**THE LAKE DISTRICT CALVERT TRUST**

**(A company limited by guarantee)**

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 NOVEMBER 2024

| | |
|---|---|
| **Trustees** | Martin G Mullin, Chair<br>Ian S Lowthian<br>Heather A Batey (resigned 24 October 2024)<br>James W Fryer-Spedding (resigned 26 April 2024)<br>Anthony D Glynn, Secretary<br>Emily J Flynn<br>Judith Gate<br>Anne L Dunn<br>David G Brown (resigned 8 February 2025)<br>Hannah Richardson<br>Srinivas Madipalli<br>William JC Ponsonby<br>Myles Thompson (appointed 26 April 2024) |
| **Company registered number** | 01240160 |
| **Charity registered number** | 270923 |
| **Registered office** | Little Crosthwaite<br>Underskiddaw<br>Keswick<br>Cumbria<br>CA12 4QD |
| **Company secretary** | Anthony D Glynn |
| **Chief executive officer** | Sean Day |
| **Independent auditors** | David Allen<br>Chartered Accountants and Statutory Auditors<br>Dalmar House<br>Barras Lane Estate<br>Dalston<br>Carlisle<br>Cumbria<br>CA5 7NY |
| **Bankers** | Barclays Bank plc<br>Penrith Branch<br>Market Square<br>Penrith<br>Cumbria<br>CA11 7YB<br><br>CAF Bank<br>25 Kings Hill Avenue<br>Kings Hill<br>West Malling<br>Kent<br>MA19 4JQ |

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)

| | |
|---|---|
| **Investment Advisors** | Sarasin and Partners LLP<br>Juxon House<br>100 St. Paul's Churchyard<br>London<br>EC4M 8BU |
| **Finance Committee** | Anthony D Glynn, Chair<br>Martin G Mullin<br>Judith Gate<br>Philip Stout, Co-opted Member<br>Stuart Coe, Co-opted Member |
| **Audit Committee** | Myles Thompson, Chair<br>Anthony D Glynn<br>Roger Cooke, Co-opted Member<br>Alastair Roberts, Co-opted Member |
| **Income Generation Committee** | Anne L Dunn, Chair<br>Martin G Mullin<br>Hannah Richardson |
| **People and Operations Committee** | Ian S Lowthian, Chair<br>Emily J Flynn<br>Martin G Mullin<br>Judith Gate<br>Rosemary Riley, Co-opted Member |
| **Nominations Committee** | Judith Gate, Chair<br>Martin G Mullin<br>Myles Thompson<br>Claire Hensman, Co-opted Member |
| **Clinical Committee**<br>(until 18th October 2024) | Heather A Batey, Chair<br>Martin G Mullin<br>David G Brown<br>William JC Ponsonby<br>Fiona Nixon, Co-opted Member<br>Alice Melville, Co-opted Member |
| **Emeritus Trustees** | John Fryer-Spedding CBE<br>Roger Cooke, Vice President<br>John Wood<br>Tony Welton<br>Michael Toulmin<br>Mark Winfield<br>Corinna Cartwright<br>Stephen Nicol<br>William R Bell<br>Claire T Hensman |

## CHAIR'S STATEMENT
## FOR THE YEAR ENDED 30 NOVEMBER 2024

I mentioned in my statement for 2023 that Calvert Reconnections, our specialist brain rehabilitation centre, was ramping up which gave us great hope for 2024 and that we planned to launch a major capital appeal in 2024 for the next development of the Calvert Lakes service. It is encouraging that in the first half of 2024 the whole organisation was focused on these two key areas with a continued strong performance at Reconnections in the first quarter. We made tremendous progress planning the provision of a new accommodation block at Calvert Lakes with a complete realignment of the site to provide a more secure guest experience with increased levels of safety from on-site vehicle movements.

Unfortunately, by mid-year it was clear that all was not well in the sector as we became aware of similar organisations having severe difficulties driven by several key factors. The inflationary pressures did not abate meaning budgets continued to be challenged resulting in fewer guests being able to afford residential breaks whilst school residential visits continued to be depressed as schools contended with financial challenges. It was also apparent that there was a reluctance to participate in residential rehabilitation following the COVID experience and funders, specifically insurance companies, were less willing to fund long term rehabilitation programmes.

In July, the trustees had to take the regrettable decision to close Calvert Reconnections as occupancy levels were not sustainable and delaying the decision further would mean that the whole charity would become unsustainable. It was with great sadness that we had to enter into a consultation with our employees with a view to restructuring the organisation. Unfortunately, we had to bid farewell to 34 highly respected colleagues in September and focus all our efforts on the Calvert Lakes and Calvert Stables services. My sincere thanks go to all our employees for the professional way this unwelcome situation was handled.
For the organisation to successfully navigate this difficult transition we had to draw upon the support of many of our supporters. We are grateful for the excellent advice and wisdom they shared with us and hugely grateful for the financial support they gave us to enable us to continue.

The final quarter of the year was spent bedding down the new structure with a slimmed down management group. It is testament to the whole staff team that none of our guests reported any deterioration in the wonderful experience that is always had at Calvert and our guest feedback continued to be immensely positive.

Having completed the restructure the strategic plans for 2025 onwards were revisited and the trustees remain confident that the organisation can continue to deliver on the Charitable Objects. A clear growth plan is now in place with a sustainable financial path to build reserves. The plan includes growing annual occupancy and unrestricted fundraising, and securing recurring rental income from the Old Windebrowe facility. I am confident that we are now in a good position to deliver on this plan and I anticipate that we will be engaging with supporters and funders in the near future to help us realise the plans for Calvert Lakes referred to in the first paragraph.

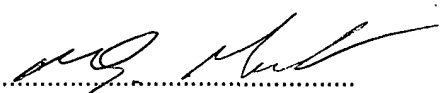
Despite the disturbances and major changes in 2024 the team delivered excellent outcomes for 2,845 children and adults at Calvert Lakes who stayed with us for 9,241 nights. I never cease to be amazed by the ability of the Calvert Team to bring so much joy and confidence to our guests. It seems that we are able to manufacture smiles on a wonderfully consistent basis and it is this ability that is the core of why Calvert Lakes must continue.

The utilisation of our hydrotherapy pool continued to increase following the COVID years whilst the team at Calvert Stables are making huge strides with an increased range of activities and classes as well as increased support for local community groups.

The fundraising team had a successful year in 2024 achieving approximately £420,000 of unrestricted income and it was rewarding to see the benefits of the new approach introduced by the leadership bear fruit. I am confident that this area of our operation will consistently deliver in the coming years and enable Calvert Lakes to deliver life affirming experiences for people living with disabilities. We massively appreciate the continued support we receive from a wide range of givers including grant-making trusts, the Friends of Calvert Trust (Lake District), the many clubs, charities and organisations and the many private individuals who give so generously. Thank you.

## CHAIR'S STATEMENT (CONTINUED)
## FOR THE YEAR ENDED 30 NOVEMBER 2024

I thank the trustees for their continued hard work and commitment in what has been a difficult year, and I would like to end by acknowledging the wonderful staff team at The Lake District Calvert Trust. For those who left the organisation in 2024 I sincerely send my thanks, appreciation and best wishes for the future. For those who are driving the organisation forwards in 2025, I look forward to working with you and I am confident that the Trust will continue to manufacture smiles for people living with disabilities for many years to come.



Martin G Mullin
Chair
Date: 25th April 2025

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 NOVEMBER 2024

The trustees, who are also directors of the charity for the purposes of company law, present their annual report and the audited financial statements for the year ended 30 November 2024. The annual report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

### Structure, Governance and Management

The charity was incorporated on 12 January 1976 as a Company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association. The charity has dispensed with the use of the word "Limited" in its name.

The Trust's first residential centre at Keswick was opened in 1978. Working closely with the Trust's disabled visitors and the many organisations that visit our centres, the Trust has pioneered the provision and promotion of outdoor activities for people with disabilities.

The Board of Trustees have delegated day to day management of the Trust to a Senior Leadership Team (SLT) led by our Chief Executive. Following a governance review in 2022, the Board of Trustees reformed its standing committees to work across the Trust in the areas of – People and Operations, Clinical Governance, Income Generation and Finance. Additional committees including an Audit committee, to provide financial and risk oversight and ensure compliance responsibilities are met, and a Nominations committee have also been established. As part of the reforms, the Board of Trustees increased meeting frequencies and meets at least four times a year to receive reports from the Chief Executive, Senior Leadership Team and each committee in order to ensure that all trustees are fully involved in the Trust's governance process.

Following a restructuring of the staff team in September 2024, the Senior Leadership Team saw a reduction in numbers from a total of 5 staff to 2 staff. Responsibilities have been reorganised to reflect the smaller organisation.

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

The trustees are from a variety of relevant professional, business and charitable backgrounds with a number having lived experience of impairment, difference or disability. The composition of the trustees' board and their experience and skills are regularly reviewed, to ensure the number and balance of trustees remains appropriate.

All directors of the company are also trustees of the charity, and there are no other trustees. All of the trustees named on the Reference and Administrative details page served throughout the year except as declared. The Board of Trustees has the power to appoint additional trustees as it considers fit to do so.

### Use of Volunteers

The charity has benefitted from the help of over 80 volunteers during the financial year. The majority of these volunteers assist and support the riding activities, with other volunteers also assisting in supporting our residential Calvert Lakes courses and programmes. The Trust has benefitted from volunteers supporting essential fundraising activities during this period.

A significant refurbishment of our Calvert Lakes 'Byres' accommodation, 17 guest rooms was started in November 2024 and completed over the winter. This extensive refurbishment project could not have been completed without significant volunteer support working alongside our staff, for which we are extremely grateful.

### Trustees' Induction and Training

All new trustees complete a fit and proper person assessment, follow a formal trustee induction process and receive a trustee induction pack. They also complete an orientation meeting with the Chief Executive, annual appraisal and fit and proper person assessments, followed by formal training on disability awareness and safeguarding as part of a schedule of ongoing refresher training.

### Key Management Personnel Pay and Remuneration

The key management personnel of the charity consist of the senior leadership and management team members. The remuneration of the senior leadership team and an annual pay award for all staff is set and agreed by the Finance Committee and approved by the Board.

### Fundraising

The charity carries out a number of fundraising activities throughout the financial year. These activities are organised through the Trust's fundraising team. The Trust adheres to the Code of Fundraising Practice and is registered with the Fundraising Regulator to ensure all fundraising activities follow best practice. The charity also uses external consultants to provide assistance when undertaking major appeals.

### Aims, Objectives and Public Benefit

The charity exists in order to benefit people with disabilities. It aims to enable them, together with their families and friends, to achieve their potential through experiencing the challenge of outdoor adventure in the countryside. It does so principally through the provision of specialised facilities in and near Keswick in the Lake District.
The particular benefits that the charity's activities offer to our visitors are:

- The enrichment of their lives through adventure, confidence building and personal achievement.
- The chance to enjoy countryside of exceptional natural beauty.
- The opportunity to participate in a programme that includes relaxation as well as course activity.
- The enjoyment of recreational activities that can be transferred into everyday living.
- Personal development and support leading to greater integration within society.
- Until September 2024, brain injury rehabilitation combining traditional interdisciplinary clinical therapies with physical activities in the outdoors.

The Trust recognises the economic disadvantage experienced by many people with disabilities. Accordingly, in suitable cases it may be able to offer direct financial support in the form of bursaries. In other instances it may be possible to guide visitors towards other sources of subsidy. The charity's philosophy is to try to ensure that no person with a disability should be deprived of the opportunity of a visit because of a lack of funds.

When exercising their powers or duties, the trustees pay due regard to the Charity Commission's public benefit guidance. In this regard, they recognise that to satisfy the 'public' aspect of the guidance, the charity's activities must:

- benefit the public in general, or a sufficient section of the public; and
- not give rise to more than incidental personal benefit where 'personal benefit' may include financial benefits (e.g. cash payments), non-financial benefits or payments in kind (e.g. benefits in the form of goods or services); or benefits to trustees. A personal benefit is considered 'incidental' where it is a necessary result or by-product of carrying out the charity's purpose.

Trustees also recognise that to satisfy the 'benefit' aspect of the guidance:

- the purpose and activities of the charity must be beneficial - this must be in a way that is identifiable and capable of being proved by evidence where necessary and which is not based on personal views; and
- any detriment or harm that results from the purpose (to people, property or the environment) must not outweigh the benefit – again, this should be based on evidence and not personal views

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

### Activities

The charity is proud to offer a wide range of exciting outdoor activities, meaningful challenge, rehabilitation and adventure within a framework of safety. It has been involved in the development of an extensive range of activities for disabled people, which now include sailing, accessible biking, canoeing, kayaking, climbing, abseiling, horse riding, carriage driving, mountaineering, hillwalking / pushing, bush craft, orienteering, archery, challenge activities and accessible ropes courses.

The charity constantly strives to expand and improve the range of activities available to its visitors. It is pleased to be recognised as a leader in its field.

### Trustees' Indemnities

The charity has held trustee indemnity insurance throughout the accounting period.

### Tangible Fixed Assets for Use by the Charity

Changes in fixed assets are shown in the notes to the financial statements. The Trust occupies two freehold properties near Keswick named Little Crosthwaite and Old Windebrowe, which were the subject of a generous gift when the Trust was founded. The Trust uses these properties as the bases from which it carries out its work. The properties, when gifted, were subject to a restriction that they are to be used for the purposes of a charity.

Following the closure of the Trust's brain injury rehabilitation service, Calvert Reconnections, in September 2024, the Trust continues to utilise the Old Windebrowe Tithebarn building to support ongoing activities. From early 2025, the building has been leased to an organisation that provides educational services for children with learning disabilities, generating an income for the Trust that is used to subsidise our other areas of work.

The Trust also occupies an accessible boathouse on Bassenthwaite Lake and various grazing for our stables facility on a leasehold basis. The Bowderstone Cottage was returned to the National Trust in March 2024 after 10 years of operation as an accessible mountain hut.

### Safety and Risk Management

The Trust commissions regular health and safety audits. Audits of safety procedures have been undertaken in 2006, 2009, 2016, 2019 and 2024. Recommendations to enhance safety were received and improvements were completed in 2019 and 2024. The 2024 audit specifically focused on our Calvert Stables site. All external audit recommendations have been implemented and are monitored by the People and Operations Committee.

The trustees actively review the major risks which the charity faces on a regular basis and have considered and included the risks posed following the closure of Calvert Reconnections. These include updated cashflow, reputation and key personnel risks.

The trustees believe the current cashflow forecast confirms the Trust has sufficient resources to manage the impact of normal seasonal reductions in income and cash during the winter 2025/26 period. Over the last three years the Trust has utilised unrestricted reserves in the recovery following COVID and the attempted establishment of the Calvert Reconnections service. The trustees have put in place alternative sources of finance, including approximately £450,000 of longer term social investment and loan facilities, to provide additional funds until reserves can be rebuilt.

The trustees also examine other operational and business risks faced by the charity and monitor systems to mitigate the significant risks. Risks associated with IT infrastructure and data protection were considered and infrastructure was improved to support remote working during the COVID crisis. A working party to monitor and reduce risk associated with cyber and data security has been formed to further support the management team.

### Other Calvert Trusts

The Trust is one of three Calvert Trust centres. The other two are Northumbria Calvert Trust (Charity Number 511851) and Exmoor Calvert Trust (Charity Number 1005776). All three Calvert Trust are legally separate entities with independent trustees, finances and operations.

The work of the three Trusts is periodically co-ordinated by The Council of the Calvert Trust (Charity Number 1042423) and the trustees of The Council of the Calvert Trust are the three operating Trusts.

## STRATEGIC REPORT

### Achievements and Performance

The Trust exited 2023 with a busy order book for the year ahead. Calvert Lakes forward bookings were ahead of the previous year and Calvert Reconnections occupancy remained ahead of forecast throughout the winter months. Recruitment to vacant roles was successfully completed and expansion of the Calvert Reconnections teams continued to ensure the clinical needs of clients could be met as the service expanded. However, as the year progressed the Trust saw a decline in Calvert Reconnections occupancy that resulted in the difficult decision being taken to close the service.

Calvert Reconnections Service Closure

Despite initial success and positive client outcomes, the service faced significant financial challenges due to declining occupancy rates and delays in funding approvals from insurance providers. As the year progressed, occupancy levels did not increase as anticipated, leading to financial underperformance. Despite focused efforts to convert referrals into admissions, the service continued to operate at a loss. Following a strategic review in July 2024, it became evident that the Trust could not sustain the financial pressures without jeopardizing its core services. As a result, a consultation process commenced on 1st August 2024, leading to the closure of Calvert Reconnections on 9th September 2024. The decision, while regrettable, was necessary to safeguard the Trust's remaining services and long-term financial sustainability.

Throughout its three years of operation, Calvert Reconnections provided life-changing rehabilitation to 45 clients, pioneering an innovative approach that combined clinical therapies with outdoor activities. The professionalism and dedication of the staff during both the service's operation and its closure process were exemplary. The Trust acknowledges the impact this closure has had on employees, clients, and stakeholders and extends its gratitude to all those involved.

As part of the restructuring process, the Trust's overall staff headcount was reduced from 78 employees to 44 employees, reflecting the need to ensure financial sustainability and focus resources on core services.
The Trust saw the departure of some valued and experienced staff and our thoughts and best wishes for the future go with them.

The restructuring process was carried out through a formal consultation, ensuring transparency and compliance with employment regulations. Despite the challenges, staff conducted themselves with professionalism and dedication, ensuring minimal disruption to core services at Calvert Lakes and Calvert Stables.
Going forward, the Trust remains committed to rebuilding a stable and motivated team while continuing to provide high-quality services for individuals with disabilities.

Financial Impact of Calvert Reconnections Closure

The closure of Calvert Reconnections had a significant financial impact on the Trust during the 2024 financial year. Initially anticipated to generate a surplus, the service instead experienced a substantial shortfall due to a decline in occupancy levels and delays in securing funding from insurance providers.
Total income for the year from Calvert Reconnections was £728,616 (2023: £1,152,990) which with total expenditure of £1,033,030 (2023: £1,136,988), led to an operational deficit of £304,414 (2023: £16,002 surplus). This financial pressure, coupled with the need to safeguard the Trust's core services, led to the difficult decision to close the service in September 2024.

The closure of Calvert Reconnections resulted in significant restructuring within the Trust, including staff redundancies and a reallocation of resources. To mitigate financial strain, the Trust secured additional funding, including soft loans of £137,500 from supporters and a lease agreement for the Old Windebrowe Tithebarn building (previously Calvert Reconnections), which will generate regular income from early 2025.

Calvert Lakes

The year saw increasing demand for Calvert Lakes' services and our residential short breaks programs achieved 9,241 bednights in the period. This is an increase from the previous year's occupancy of 8,996 bednights. This represents a similar number of people supported during the year through our residential stays, being 2,845 children and adults with disabilities together with their families and friends.

In addition to our residential courses, Calvert Lakes successfully delivered a number of projects supporting the local community with non-residential 'day' services.

The Trusts' Access Adventure program was able to be extended for a further 2 years thanks to the continued support of the NHS North East and North Cumbria and a commitment from The Francis C Scott Charitable Trust. The program supports children and young adults with autism or learning disabilities in North Cumbria and provides respite for families through engaging and stimulating activities delivered from our Calvert Lakes centre over the winter months (December to April). During the 5 months of delivery, 6 programs were provided supporting 13 different families comprising 18 disabled young people supported by a further 23 family and carers. Access Adventure funding for a further year has been confirmed.

Following a successful application to the UK Youth Adventures Away from Home fund, the Trust was able to successfully work with local special schools and organisations to deliver a fully funded program of residential and day visits. Specifically targeting groups supporting young people with disabilities the Trust supported 153 individuals to access challenging outdoor adventure.

Demand for our accessible hydrotherapy pool has steadily increased, driven in part by the closure of the Keswick swimming pool during COVID. The year saw 7,461 community participant sessions during the year, compared to 6,716 in 2023. We continue to try and ensure that the disabled community remain the main users of the facility.

From August 2024 onwards, the Calvert Lakes staff teams had to contend with continuing to deliver services and programs to participants while going through a statutory consultation and restructure process. As always, their professionalism and dedication to our participants was an inspiration and centre operations continued unaffected. This was nevertheless a very challenging time for all involved.

Calvert Stables

Early in the year the Stables team saw the departure of our Stables Manager, following almost 20 years of leading the Trusts equine services. The Trust is fortunate to have a well-supported and experienced Stables team and an internal promotion to Stables Manager in February 2024 was a well-received and positive development at a difficult time for the service.

Having lost Haggis at the end of 2023, the Trust also lost Amber at the start of 2024 after a bout of illness. Losing our ponies is never easy and the loss of both Haggis and Amber was a real challenge for the team.

During the year we have been joined by a number of ponies and the Trust is always very grateful to our supporters who often provide their ponies on long-term loan. In January we were joined by two miniature Shetland therapy ponies, Drummer and Tess. Buster joined in the Spring and Queenie also returned having had a year off to raise her foal.

As always, we are grateful to the local community in supporting our Stables. Each of our ponies is sponsored and we are grateful to everyone who contributes to our Sponsor-A-Pony scheme. This ensures we can maintain the highest levels of horse welfare and continue to deliver important services for the local disabled community.

Like the rest of the charity, the Calvert Stables were affected by the closure of Calvert Reconnections and Trust wide restructure. Faced with the challenge of reducing the Stables annual deficit, the team presented a plan to increase the Stables income through delivering additional activities to the local community. This was agreed and the team worked hard over the remainder of the year to turn the plan into a reality, ably supported by the volunteers and riding committee who once again have stepped up to support the team.

Calvert Stables successfully delivered 2,482 (2023: 2,229) participant sessions during the year. This included the development of our specialist riding and driving courses delivered with Calvert Lakes' residential beneficiaries and the development of the BHS Changing Lives Through Horses scheme.

**Plans for Future Periods**

The Trust made the difficult decision to close Calvert Reconnections in order to remove financial uncertainty, protect services and ensure a sustainable financial model going forwards.

A three-year growth plan has then been developed that will –

- Ensure the Trust's services and facilities are being maximised to benefit people with disabilities.
- Deliver a sustainable operational model of Calvert Lakes, Stables and fundraising that delivers high quality services for our beneficiaries and contributes to rebuilding reserves.
- Repay all supporter loans and start repayment of The Francis C. Scott social investment loan.
- Establish a stable and motivated team of people with the knowledge, skills and experience needed to deliver our shared vision.

To achieve this, the Trust will increase Calvert Lakes' occupancy through a combination of improving the quality of our guests' experience, further developing and resourcing a proactive approach to sales and marketing and leading the way in accessible outdoor activities for those with the most profound and complex needs.

In order to maximise fundraising income and reduce the financial burden on the charity's beneficiaries, the Trust will also invest further in a structured approach to fundraising. We will continue to develop an emphasis on project-based, outcome-focused initiatives that support the sustainable delivery of operations and continual improvement of the guest experience.

The Trust remains committed to our agreed 5-year vision which has been updated to meet our changing needs going forwards.

- Continue to develop our Calvert Lakes centre so that it remains at the forefront of delivering services to those with the most profound and complex needs.
- Develop our Calvert Stables centre and increase its unique benefits for our beneficiaries through expanding equine assisted therapy / learning services.
- Increase opportunities to provide day services to beneficiaries within Cumbria.

In line with our strategic vision, will refine our plan to deliver on our exciting vision for Calvert Lakes and Calvert Stables. We are nearing completion of an exciting 10-year roadmap for the future development of the Trust and anticipate engaging with key stakeholders and funders during 2026, the 50th anniversary of the charity.

Finally, we will continue with an ongoing focus on ensuring the Trust has strong foundations that enable achievement of our objectives.

- **People**: We will develop a great place to work strategy, recognising that our staff bring the Charity to life.
- **Diversity**: we will better engage with all communities.
- **Sustainability**: we will build a program to minimise our environmental impact driving to 'net zero'.
- **Digital**: we will leverage IT to enhance our visitor and staff experience and better engage with participants and potential new ones.

**Transactions and Financial Position**

The financial statements show a net deficit of £798,643 for the year after depreciation and unallocated irrecoverable VAT (2023 deficit: £538,275). This deficit was after a depreciation charge of £265,363 (2023: £268,835). Unrestricted gifts, donations and grants totalled £418,990 (2023: £520,741).

In March 2021 an unsecured Barclay's CBIL (Coronavirus Business Interruption Loan) facility for £100,000 was obtained to provide additional contingency funds. At the year-end the remaining balance was £46,681 (2023: £66,693).

In December 2021 an unsecured social investment loan through The Francis C Scott Charitable Trust of £300,000 was secured to provide contingency funds. This facility was for 6 years and is interest-only repayment. At the year-end the remaining balance was £319,348 following an interest holiday which deferred £19,348 of interest in the year until the final repayment date.

In September 2024 the Trust approached a number of supporters, including Trustees, to secure further contingency funds during the restructure following the closure of Calvert Reconnections. The loaned funds were provided for 3 years, interest free with repayment due in September 2027. At the year-end the outstanding balance was £137,500.

These loan facilities provide the Trust with working capital and essential emergency funds until reserves can once again be rebuilt.

**Financial Outlook 2025 to 2026**

Throughout 2023 and 2024 the Trustees maintained close monitoring of performance in collaboration with the leadership team. This enabled a timely decision to be made to close the Calvert Reconnections service.

Post the closure of Calvert Reconnections the Trust is going through a period of consolidation. It has re-sized its organisation and will now refocus on the core Calvert Lakes service looking to rebuild both cash and reserves. In order to provide the Trustees with sufficient evidence to support the risk assessment and viability confirmations detailed financial forecasts have been extended out until year ending 30th November 2026. Performance in early 2025 is broadly in line with plan.

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

The Trust remains thankful for the continued support from generous legacy gifts and supporters, both of whom have provided invaluable cash support over the past months. The Trust continues to have access to loaned funds totalling £503,529 which provide an alternative source of funds until the Trust's own contingency reserves can be rebuilt.

Trustees have undertaken a thorough scenario planning process with the leadership team and are continuing to closely monitor performance with a focus on the early warning of any adverse performance versus plan. The Trustees are of the opinion that the organisation has access to adequate resources to operate without disruption for the foreseeable future, being the period of at least 12 months from the date of this report. For this reason, the Trust continues to adopt the going concern basis in the financial statements.

### Reserves

The Trust's total reserves decreased to £3,966,779 at the year-end (2023: £4,765,422). These total reserves being made up of general unrestricted funds of -£607,203 (2023: £Nil), designated funds of £4,447,244 (2023: £4,675,714) and restricted funds of £126,738 (2023: £89,708). These designated funds include £4,452,948 (2023: £4,675,714) of tangible fixed assets representing land, buildings, equipment and vehicles. The Trust's free reserves, i.e. reserves that in practice may be allocated at the trustees' discretion remains £Nil (2023: £Nil) as a result of the negative general reserves position of £607,203. Having recovered reserves during 2021 through an emergency bounce back appeal, the following three years, 2022 to 2024, have seen the Trust extensively utilise those reserves to enable the continued delivery of services to our beneficiaries as well as to launch the new Calvert Reconnections service in what was a challenging external environment. Having now taken the decision to close the Calvert Reconnections service, the financial uncertainty of the new service has been removed and the Trust has put in place a plan to return to a surplus generating operating model going forwards.

### Investment Policy and Returns

The Trust's investments were held in a charitable investment fund managed by Sarasin & Partners LLP. The investments were overseen by the Finance Committee who received reports and met regularly with Sarasin.

In September 2024 we made the decision to close our account with Sarasin and transfer all funds into our day-to-day banking provider.

### FINANCIAL INSTRUMENTS

### Objectives and Policies

The charity's activities expose it to a number of financial risks including credit risk and cash flow risk.

### Cash Flow Risk

The charity's activities expose it primarily to the financial risks of interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

As part of its financial management arrangements the trustees have developed monthly cash flow forecasts which extend until November 2026. These enable the Trust to rapidly model different financial scenarios and to sensitivity test key assumptions. Further high-level annual forecasts have been produced which extend to 2027.

Having closed Calvert Reconnections, the inherent uncertainty of the new service has been removed.

### Credit Risk

The charity's principal financial assets are bank balances and cash, trade and other receivables and investments. The trustees have considered the risks that affect the day to day operations, and have implemented procedures that are appropriate to the size of the Charity.

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

### Statement of Disclosure of Information to Auditors

The trustees of the charity who held office at the date of approval of this annual report confirm that –

- so far as they are aware, there is no relevant audit information or other information needed by the charity's auditors in connection with preparing their report, of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### Auditors

David Allen Chartered Accountants were appointed as the Trust auditors for the period commencing 1st December 2017 and remain in place. Gibbons Chartered Accountants who merged with Armstrong Watson Accountants in April 2024, were retained as the Trust's accountants and now trade as Armstrong Watson Accountants.

David Allen Chartered Accountants have signified their willingness to remain in office as auditors and a resolution re-appointing them will be proposed at the Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
**Martin G Mullin**
Trustee
Date: 25 April 2025

.....
**Anthony D Glynn**
Trustee

## STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 30 NOVEMBER 2024

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for maintaining proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

.....
**Martin G Mullin**
Trustee
Date: 25 April 2025

.....
**Anthony D Glynn**
Trustee

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST

### Opinion

We have audited the financial statements of The Lake District Calvert Trust (the 'charitable company') for the year ended 30 November 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 30 November 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST (CONTINUED)

### Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Chair's Statement and trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair's Statement and the trustees' report, which includes the directors' report and the strategic report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair's Statement and Trustees' Report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns; 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 page 14), the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST (CONTINUED)

### Auditor's responsibilities for the audit of the financial statements

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

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

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and Management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit;
- Considering the risk of acts by the charity which were contrary to the applicable laws and regulations, including fraud.

Our audit procedures relating to fraud included but were not limited to:

- Making enquiries of the Trustees and Management on whether they had knowledge of any actual, suspected or alleged fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Gaining an understanding of the internal controls established to mitigate risks related to fraud.
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

We are not responsible for detecting fraud and preventing non-compliance and cannot be expected to detect all fraud and non-compliance with all laws and regulations. The primary responsibility for the prevention and detection of irregularities including fraud rests with both the Trustees and Management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, mirepresentations or the override of internal controls.

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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST (CONTINUED)

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Alison Welton (Senior Statutory Auditor)**
For and on behalf of David Allen, Chartered Accountants and Statutory Auditor

Dalmar House
Barras Lane Estate
Dalston
Carlisle
Cumbria
CA5 7NY

25 April 2025

THE LAKE DISTRICT CALVERT TRUST

(A company limited by guarantee)

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 NOVEMBER 2024

| | Note | Restricted funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ | *Total funds 2023 £* |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 4 | **189,845** | **418,990** | **608,835** | *696,620* |
| Charitable activities | 5 | **-** | **2,004,233** | **2,004,233** | *2,280,704* |
| Investments | 6 | **-** | **12,081** | **12,081** | *13,004* |
| **Total income** | | **189,845** | **2,435,304** | **2,625,149** | *2,990,328* |
| **Expenditure on:** | | | | | |
| Raising funds | 7 | **-** | **137,941** | **137,941** | *167,126* |
| Charitable activities | 8 | **28,587** | **3,261,564** | **3,290,151** | *3,363,720* |
| **Total expenditure** | | **28,587** | **3,399,505** | **3,428,092** | *3,530,846* |
| **Net income/(expenditure) before net gains on investments** | | **161,258** | **(964,201)** | **(802,943)** | *(540,518)* |
| Net gains on investments | 16 | **-** | **4,300** | **4,300** | *2,243* |
| **Net income/(expenditure)** | | **161,258** | **(959,901)** | **(798,643)** | *(538,275)* |
| Transfers between funds | 21 | **(124,228)** | **124,228** | **-** | *-* |
| **Net movement in funds** | | **37,030** | **(835,673)** | **(798,643)** | *(538,275)* |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | | **89,708** | **4,675,714** | **4,765,422** | *5,303,697* |
| Net movement in funds | | **37,030** | **(835,673)** | **(798,643)** | *(538,275)* |
| **Total funds carried forward** | 21 | **126,738** | **3,840,041** | **3,966,779** | *4,765,422* |

The Statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 23 to 48 form part of these financial statements.

THE LAKE DISTRICT CALVERT TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 01240160

## BALANCE SHEET
## AS AT 30 NOVEMBER 2024

| | Note | | 2024 £ | | *2023 £* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 15 | | **4,452,948** | | *4,675,714* |
| Investments | 16 | | **-** | | *401,477* |
| | | | **4,452,948** | | *5,077,191* |
| **Current assets** | | | | | |
| Stocks | 17 | **10,188** | | *13,968* | |
| Debtors | 18 | **159,927** | | *338,333* | |
| Cash at bank and in hand | | **169,916** | | *131,728* | |
| | | **340,031** | | *484,029* | |
| Creditors: amounts falling due within one year | 19 | **(342,671)** | | *(429,757)* | |
| **Net current liabilities / assets** | | | **(2,640)** | | *54,272* |
| **Total assets less current liabilities** | | | **4,450,308** | | *5,131,463* |
| Creditors: amounts falling due after more than one year | 20 | | **(483,529)** | | *(366,041)* |
| **Total net assets** | | | **3,966,779** | | *4,765,422* |

## BALANCE SHEET (CONTINUED)
## AS AT 30 NOVEMBER 2024

| | Note | | 2024 £ | | 2023 £ |
|---|---|---|---|---|---|
| **Charity funds** | | | | | |
| Restricted funds | 21 | | **126,738** | | *89,708* |
| Unrestricted funds | | | | | |
| Designated funds | 21 | **4,203,128** | | *4,428,066* | |
| Revaluation reserve | 21 | **244,116** | | *247,648* | |
| General funds | 21 | **(607,203)** | | - | |
| Total unrestricted funds | 21 | | **3,840,041** | | *4,675,714* |
| **Total funds** | | | **3,966,779** | | *4,765,422* |

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
**Martin G Mullin**
Trustee
Date:25 April 2025

.....
**Anthony D Glynn**
Trustee

The notes on pages 23 to 48 form part of these financial statements.

THE LAKE DISTRICT CALVERT TRUST
(A company limited by guarantee)

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 30 NOVEMBER 2024

| | 2024 £ | 2023 £ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net cash used in operating activities (note 23) | **(446,840)** | *(30,183)* |
| **Cash flows from investing activities** | | |
| Purchase of tangible fixed assets | **(46,018)** | *(47,325)* |
| Purchase of investments | **(381,509)** | *(409,819)* |
| Proceeds on disposal of investments | **782,986** | *399,231* |
| Investment income received | **12,081** | *13,004* |
| **Net cash provided by/(used in) investing activities** | **367,540** | **(44,909)** |
| **Cash flows from financing activities** | | |
| Proceeds/(repayment) of bank loans | **(20,012)** | *(20,000)* |
| Proceeds/(repayment) of other loans | **137,500** | *19,348* |
| **Net cash provided by/(used in) financing activities** | **117,488** | **(652)** |
| **Change in cash and cash equivalents in the year** | **38,188** | **(75,744)** |
| Cash and cash equivalents at the beginning of the year | **131,728** | *207,472* |
| **Cash and cash equivalents at the end of the year (note 24)** | **169,916** | *131,728* |

The notes on pages 23 to 48 form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2024

### 1. General information

The Lake District Calvert Trust is a charitable company limited by guarantee incorporated in England and Wales and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The registered office is Little Crosthwaite, Underskiddaw, Keswick, Cumbria, CA12 4NT.

The trust operated from three main centres:

| Calvert Lakes | Calvert Reconnections | Calvert Stables |
|---|---|---|
| Little Crossthwaite | Old Windebrowe | Old Windebrowe |
| Keswick | Keswick | Keswick |
| Cumbria | Cumbria | Cumbria |
| CA12 4QD | CA12 4NT | CA12 4NT |

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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).

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The Lake District Calvert Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

## 2. Accounting policies (continued)

### 2.2 Going concern

Throughout 2023 and 2024 the Trustees maintained close monitoring of performance in collaboration with the leadership team. This enabled a timely decision to be made to close the Calvert Reconnections service as, unfortunately, there remained significant uncertainty regarding the ability to bring sufficient numbers to the centre which, had it been allowed to continue, would have jeopardised the future of the broader Trust.

Post the closure of Calvert Reconnections the Trust is going through a period of consolidation. It has re-sized its organisation and will now refocus on the core Calvert Lakes service looking to rebuild both cash and reserves. In order to provide the Trustees with sufficient evidence to support the risk assessment and viability confirmations detailed financial forecasts have been extended out until year ending 30 November 2026. Performance in early 2025 is broadly in line with plan.

The Trust remains thankful for the continued support from generous legacy gifts and supporters, both of whom have provided invaluable cash support over the past months. The Trust continues to have access to loaned funds totalling £503,529 which provide an alternative source of funds until the Trust's own contingency reserves can be rebuilt.

Trustees have undertaken a thorough scenario planning process with the leadership team and are continuing to closely monitor performance with a focus on the early warning of any adverse performance versus plan. The Trustees are of the opinion that the organisation has access to adequate resources to operate without disruption for the foreseeable future, being the period of at least 12 months from the date of this report. For this reason, the Trust continues to adopt the going concern basis in the financial statements.

## 2. Accounting policies (continued)

### 2.3 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

Government grants are recognised and measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Income from charitable activities is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Income is shown net of sales/value added tax, returns, rebates and discounts.

Income from other events is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established.

### 2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

## 2. Accounting policies (continued)

### 2.4 Expenditure (continued)

Costs of raising funds are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating staff costs by the time spent and other costs by their usage.

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

The Charity is very fortunate in receiving substantial amounts of voluntary unpaid help however this cannot be quantified and is therefore not included in the financial statements.

### 2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

### 2.6 Taxation

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

### 2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Assets under construction are accounted for at cost and are not depreciated until the accounting period in which they are brought into use.

## 2. Accounting policies (continued)

### 2.7 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | |
|---|---|
| Freehold property (building) | - Over the remaining life of the building |
| Freehold property (installations) | - 5-10% per annum straight line |
| Leasehold property (building) | - Over the period of each lease |
| Leasehold property (installations) | - 10-20% per annum straight line |
| Motor vehicles | - 20% per annum straight line |
| Fixtures and fittings | - 20% per annum straight line |
| Horses | - Over the expected lifetime of the animal |

The charity owns a number of horses held for the use of customers. These are initially measured at cost and depreciated over the expected lifetimes of the animal.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

### 2.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

### 2.9 Investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

### 2.10 Stocks

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

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

## 2. Accounting policies (continued)

### 2.11 Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

### 2.12 Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### 2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

### 2.14 Deferred Income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement; or
- Payments are received in advance of the service or goods being provided.

## 2. Accounting policies (continued)

### 2.15 Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charitable company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charitable company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charitable company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Fixed asset investments are recognised and measured in accordance with the accounting policy.

Debt instruments are subsequently measured at amortised cost.

The charity does not enter into or acquire derivatives or other complex financial instruments.

### 2.16 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2.17 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

## 2. Accounting policies (continued)

### 2.18 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company 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 Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

## 3. Critical accounting estimates and areas of judgement

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## 4. Income from donations and legacies

| | Restricted funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|
| **Donations** | | | |
| Donations and gifts | 189,845 | 275,675 | **465,520** |
| Regular giving and capital donations | - | 34,540 | **34,540** |
| | 189,845 | 310,215 | **500,060** |
| Legacies | - | 108,775 | **108,775** |
| | 189,845 | 418,990 | **608,835** |

## 4. Income from donations and legacies (continued)

| | *Restricted funds 2023* £ | *Unrestricted funds 2023* £ | *Total funds 2023* £ |
|---|---|---|---|
| **Donations** | | | |
| Donations and gifts | *175,879* | *275,204* | *451,083* |
| Regular giving and capital donations | - | *33,693* | *33,693* |
| | *175,879* | *308,897* | *484,776* |
| Legacies | - | *211,844* | *211,844* |
| | *175,879* | *520,741* | *696,620* |

## 5. Income from charitable activities

| | **Unrestricted funds 2024** £ | **Total funds 2024** £ |
|---|---|---|
| Calvert Lakes fee income | 1,275,617 | **1,275,617** |
| Calvert Reconnections fee income | 728,616 | **728,616** |
| | 2,004,233 | **2,004,233** |

| | *Unrestricted funds 2023* £ | *Total funds 2023* £ |
|---|---|---|
| Calvert Lakes fee income | *1,127,714* | *1,127,714* |
| Calvert Reconnections fee income | *1,152,990* | *1,152,990* |
| | *2,280,704* | *2,280,704* |

## 6. Investment income

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Interest receivable | 12,081 | **12,081** |

| | *Unrestricted funds 2023 £* | *Total funds 2023 £* |
|---|---|---|
| Dividends receivable from listed investments | *11,270* | *11,270* |
| Interest receivable | *1,734* | *1,734* |
| | *13,004* | *13,004* |

## 7. Expenditure on raising funds

### Costs of generating donations and legacies

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Fundraising costs | 23,496 | **23,496** |
| Investment management fees | 1,645 | **1,645** |
| Wages and salaries | 99,891 | **99,891** |
| Social security costs | 8,226 | **8,226** |
| Other pension costs | 4,683 | **4,683** |
| | 137,941 | **137,941** |

## 7. Expenditure on raising funds (continued)

### Costs of generating donations and legacies (continued)

| | *Restricted funds 2023* £ | *Unrestricted funds 2023* £ | *Total funds 2023* £ |
|---|---|---|---|
| Fundraising costs | - | *82,623* | *82,623* |
| Investment management fees | - | *2,925* | *2,925* |
| Wages and salaries | *22,318* | *51,152* | *73,470* |
| Social security costs | *1,861* | *3,702* | *5,563* |
| Other pension costs | - | *2,545* | *2,545* |
| | *24,179* | *142,947* | *167,126* |

## 8. Analysis of expenditure on charitable activities

### Summary by fund type

| | **Restricted funds 2024** £ | **Unrestricted funds 2024** £ | **Total 2024** £ |
|---|---|---|---|
| Centre Activities | 28,587 | 3,082,443 | **3,111,030** |
| Marketing Costs | - | 179,121 | **179,121** |
| | 28,587 | 3,261,564 | **3,290,151** |

| | *Restricted funds 2023* £ | *Unrestricted funds 2023* £ | *Total 2023* £ |
|---|---|---|---|
| Centre activities | *30,975* | *3,109,879* | *3,140,854* |
| Marketing costs | - | *222,866* | *222,866* |
| | *30,975* | *3,332,745* | *3,363,720* |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2024

### 9. Analysis of expenditure by activities

| | Activities 2024 £ | Support costs 2024 £ | Total funds 2024 £ |
|---|---|---|---|
| Centre Activities | 2,598,135 | 512,895 | **3,111,030** |
| Marketing Costs | 179,121 | - | **179,121** |
| | 2,777,256 | 512,895 | **3,290,151** |

| | *Activities 2023 £* | *Support costs 2023 £* | *Total funds 2023 £* |
|---|---|---|---|
| Centre activities | *2,660,229* | *480,625* | *3,140,854* |
| Marketing costs | *222,866* | - | *222,866* |
| | *2,883,095* | *480,625* | *3,363,720* |

**Analysis of direct costs**

| | Centre Activities 2024 £ | Marketing Costs 2024 £ | Total funds 2024 £ |
|---|---|---|---|
| Staff costs | 1,757,014 | 132,736 | **1,889,750** |
| Depreciation | 265,363 | - | **265,363** |
| Temporary workers | 94,460 | - | **94,460** |
| Staff training | 28,494 | - | **28,494** |
| Activity costs | 43,476 | - | **43,476** |
| Riding costs | 34,658 | - | **34,658** |
| Centre administration and insurance | 6 | - | **6** |
| Facility costs | 251,464 | - | **251,464** |
| Professional fees | 20,900 | - | **20,900** |
| Loss on disposal of fixed assets | 3,421 | - | **3,421** |
| Other operational costs | 58,709 | 46,385 | **105,094** |
| Unallocated irrecoverable VAT | 40,170 | - | **40,170** |
| | 2,598,135 | 179,121 | **2,777,256** |

**9. Analysis of expenditure by activities (continued)**

**Analysis of direct costs (continued)**

| | *Centre activities 2023* £ | *Marketing costs 2023* £ | *Total funds 2023* £ |
|---|---|---|---|
| Staff costs | *1,705,406* | *124,776* | *1,830,182* |
| Depreciation | *268,835* | - | *268,835* |
| Temporary workers | *85,645* | - | *85,645* |
| Staff training | *66,789* | - | *66,789* |
| Activity costs | *54,920* | - | *54,920* |
| Riding costs | *30,753* | - | *30,753* |
| Centre administration and insurance | *101* | - | *101* |
| Facility costs | *277,579* | - | *277,579* |
| Professional fees | *21,292* | - | *21,292* |
| Other operational costs | *77,613* | *98,090* | *175,703* |
| Unallocated irrecoverable VAT | *71,296* | - | *71,296* |
| | *2,660,229* | *222,866* | *2,883,095* |

**Analysis of support costs**

| | **Calvert Lakes 2024** £ | **Total funds 2024** £ |
|---|---|---|
| Staff costs | 184,884 | **184,884** |
| Staff training | 7,740 | **7,740** |
| Centre administration and insurance | 101,809 | **101,809** |
| Facility costs | 195,380 | **195,380** |
| Unallocated irrecoverable VAT | 23,082 | **23,082** |
| | 512,895 | **512,895** |

## 9. Analysis of expenditure by activities (continued)

### Analysis of support costs (continued)

| | *Calvert Lakes 2023 £* | *Total funds 2023 £* |
|---|---|---|
| Staff costs | *162,815* | *162,815* |
| Staff training | *6,610* | *6,610* |
| Centre administration and insurance | *99,038* | *99,038* |
| Facility costs | *190,616* | *190,616* |
| Unallocated irrecoverable VAT | *21,546* | *21,546* |
| | *480,625* | *480,625* |

Included above are governance costs amounting to £20,900 (2023 - £21,292) which relate to audit and management accountant's fees

## 10. Auditors' remuneration

| | **2024 £** | *2023 £* |
|---|---|---|
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | **6,200** | *6,895* |
| Other fees to management accountants: | | |
| All other non-audit services - management accounts | **14,700** | *14,397* |

## 11. Net movement in funds

Net movement in funds is stated after charging/(crediting)

| | **2024 £** | *2023 £* |
|---|---|---|
| Audit fees | **6,200** | *6,895* |
| Management accountant fees | **14,700** | *14,397* |
| Depreciation of owned tangible assets | **265,363** | *268,835* |
| | **286,263** | *290,127* |

## 12. Staff costs

| | 2024 £ | 2023 £ |
|---|---|---|
| Wages and salaries | **1,917,655** | *1,829,171* |
| Social security costs | **168,364** | *157,264* |
| Contribution to defined contribution pension schemes | **101,415** | *88,140* |
| | **2,187,434** | *2,074,575* |

During the year the charity incurred termination payments for loss of employment of £38,052 (2023 - £2,669). Details of the treatment of the termination benefit can be found in the accounting policies. The termination benefits in the year were funded from the charity's unrestricted general funds.

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

| | 2024 No. | 2023 No. |
|---|---|---|
| Charitable activities | **69** | *72* |
| Fundraising and marketing | **7** | *8* |
| | **76** | *80* |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2024 No. | 2023 No. |
|---|---|---|
| In the band £60,001 - £70,000 | **1** | - |
| In the band £70,001 - £80,000 | **-** | *1* |
| In the band £80,001 - £90,000 | **1** | - |

The total employee benefits of the key management personnel of the charity were £334,241 (2023 - £279,849).

## 13. Taxation

The charity is a registered charity and as such is entitled to certain exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objective.

## 14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 30 November 2024, expenses totalling £495 were reimbursed or paid directly to 1 Trustee in relation to facility costs *(2023 - £nil)*.

## 15. Tangible fixed assets

| | Freehold land and buildings £ | Leasehold land and buildings £ | Furniture and equipment £ | Motor vehicles £ | Horses £ | Total £ |
|---|---|---|---|---|---|---|
| **Cost or valuation** | | | | | | |
| At 1 December 2023 | **7,061,995** | **460,997** | **199,745** | **349,377** | **17,000** | **8,089,114** |
| Additions | **25,069** | **-** | **20,949** | **-** | **-** | **46,018** |
| Disposals | **-** | **(7,809)** | **(30,351)** | **-** | **(6,500)** | **(44,660)** |
| At 30 November 2024 | **7,087,064** | **453,188** | **190,343** | **349,377** | **10,500** | **8,090,472** |
| **Depreciation** | | | | | | |
| At 1 December 2023 | **2,625,148** | **316,911** | **122,202** | **345,265** | **3,874** | **3,413,400** |
| Charge for the year | **208,321** | **13,538** | **38,067** | **4,112** | **1,325** | **265,363** |
| On disposals | **-** | **(7,809)** | **(30,351)** | **-** | **(3,079)** | **(41,239)** |
| At 30 November 2024 | **2,833,469** | **322,640** | **129,918** | **349,377** | **2,120** | **3,637,524** |
| **Net book value** | | | | | | |
| At 30 November 2024 | **4,253,595** | **130,548** | **60,425** | **-** | **8,380** | **4,452,948** |
| *At 30 November 2023* | *4,436,847* | *144,086* | *77,543* | *4,112* | *13,126* | *4,675,714* |

The net book value of freehold land and buildings and leasehold land and buildings includes installations.

## 15. Tangible fixed assets (continued)

The Trust occupies two freehold properties near Keswick, Cumbria named Little Crosthwaite and Old Windebrowe which were acquired by way of a generous gift when the Trust was founded. The properties, when gifted, were subjected to a restriction that should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity.

During 1989, the freeshold properties were revalued by the trustees, subject to the above restriction, at the then estimated net realisable value of £990,000. The unrealised surplus on revaluation, which primarily reflects a fair value on the properties originally gifted and brought into the accounts at nil value, is included in the accounts as follows:-

The Company has adopted a policy of periodic revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

| | **2024** | *2023* |
|---|---|---|
| | **£** | *£* |
| Unrealised surplus on revaluation | **353,205** | *353,205* |
| Less: Accumulated depreciation at 30 November | **(109,089)** | *(105,557)* |
| | **244,116** | *247,648* |

The water centre has been part built on freehold land and part on leasehold land. It is not practicable to attribute the build costs to each parcel of land and the costs are all included in freehold land and buildings. The lease in the leasehold is for 999 years and commenced on 29 March 2010.

Included in Land and Buildings is land at Little Crossthwaite, Underskiddaw, Keswick (Title number CU259532), this title is subject to a charge dated 16 March 2021 by:

The Homes and Community Agency, Renaissance House, Centre Park, Warrington, Cheshire, WA1 1XB and;

The English Sports Council, Third Floor, Victoria house, Bloomsbury Square, London WC1B 4SE.

Furniture and equipment are deemed to be disposed after six years.

## 16. Fixed asset investments

| | Unlisted investments £ |
|---|---|
| At 1 December 2023 | **401,477** |
| Additions | **381,509** |
| Disposals | **(782,986)** |
| At 30 November 2024 | **-** |
| **Net book value** | |
| At 30 November 2024 | **-** |
| *At 30 November 2023* | *401,477* |

Within the above movements during the year there has been £4,300 (2023: £2,243) realised gain on investment.

## 17. Stocks

| | 2024 £ | 2023 £ |
|---|---|---|
| Stocks | **10,188** | *13,968* |

## 18. Debtors

| | 2024 £ | 2023 £ |
|---|---|---|
| **Due within one year** | | |
| Trade debtors | **14,551** | *77,568* |
| Other debtors | **93,165** | *200,664* |
| Prepayments and accrued income | **52,211** | *60,101* |
| | **159,927** | *338,333* |

Other debtors includes legacies receivable after the year end.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2024

### 19. Creditors: Amounts falling due within one year

| | 2024 £ | 2023 £ |
|---|---|---|
| Bank loans | **20,000** | *20,000* |
| Trade creditors | **80,028** | *77,241* |
| Other taxation and social security | **21,771** | *46,390* |
| Other creditors | **2,343** | *1,861* |
| Accruals and deferred income | **218,529** | *284,265* |
| | **342,671** | *429,757* |

| | 2024 £ | 2023 £ |
|---|---|---|
| Deferred income at 1 December 2023 | **220,865** | *157,802* |
| Resources deferred during the year | **126,953** | *177,022* |
| Amounts released from previous periods | **(182,160)** | *(113,959)* |
| | **165,658** | *220,865* |

Deferred income relates to customer payments made in advance and invoiced after the year end on the provision of the service or goods to the customer.

### 20. Creditors: Amounts falling due after more than one year

| | 2024 £ | 2023 £ |
|---|---|---|
| Bank loans | **26,681** | *46,693* |
| Other loans | **456,848** | *319,348* |
| | **483,529** | *366,041* |

The bank loan is unsecured, interest-bearing and is repayable in instalments with the final repayment due on 18 March 2027, interest is charged at a floating rate basis.

The 'Other loan' is partly from The Francis C Scott Charitable Trust and is an unsecured, interest only arrangement to 16 June 2029, interest is charged at 2.5% above the base rate of the Bank of England.

The 'Other loan' also includes Trustee loans which are 3 year loans, with no interest, loaned by a number of Trustees.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2024

### 21. Statement of funds

**Statement of funds - current year**

| | Balance at 1 December 2023 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 30 November 2024 £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| **Designated funds** | | | | | | |
| Fixed Asset Reserve | 4,428,066 | - | (265,363) | 46,129 | - | 4,208,832 |
| Revaluation Reserve | 247,648 | - | - | (3,532) | - | 244,116 |
| Development and Improvement Reserve | 28,906 | - | - | - | - | 28,906 |
| The Friends of the Calvert Trust (Lake District) | 23,704 | 89,488 | - | (95,192) | - | 18,000 |
| Appeal Fund | (52,610) | - | - | - | - | (52,610) |
| | 4,675,714 | 89,488 | (265,363) | (52,595) | - | 4,447,244 |
| **General funds** | | | | | | |
| Unrestricted reserve | - | 2,345,816 | (3,134,142) | 176,823 | 4,300 | (607,203) |
| **Total Unrestricted funds** | 4,675,714 | 2,435,304 | (3,399,505) | 124,228 | 4,300 | 3,840,041 |
| **Restricted funds** | | | | | | |
| Special Enabling Fund | 46,392 | 122,232 | - | (106,683) | - | 61,941 |
| Restricted Donations Fund | 43,316 | 67,613 | (28,587) | (17,545) | - | 64,797 |
| | 89,708 | 189,845 | (28,587) | (124,228) | - | 126,738 |
| **Total of funds** | 4,765,422 | 2,625,149 | (3,428,092) | - | 4,300 | 3,966,779 |

**21. Statement of funds (continued)**

Unrestricted and Designated funds

**Fixed Asset Reserve and Revaluation Reserve**

The trustees have established these funds to clarify to users of the accounts the amount of reserves that are tied up in Fixed Assets and Revaluation Reserves. Transfers shown from the Fixed Assets Reserve and other funds reflect the purchases of assets now used in the general purposes of the Charity. This in turn helps clarify to users of the accounts the level of general funds.

**Development and Improvement Reserve**

This reserve has been established in order that trustees can designate funds to use for identified projects that are considered above and beyond normal operational expenditure. The reserve will normally be funded through unexpected 'windfall' income such as legacy gifts in excess of annual forecasts or unplanned operational surpluses and taken from General Funds when circumstances allow.

**The Friends of the Calvert Trust (Lake District)**

The independent charity raises funds for purposes specified to assist the Lake District Calvert Trust. When circumstances allow funds will be used to complete specific projects, purchase items of equipment or match fund donations from other sources.

**Major Appeal Fund**

The charity started work on its major appeal in 2023. This major redevelopment project will seek to ensure the charity supports more people, is more effective and becomes more sustainable, thereby continuing to meet the changing needs of the Trust's beneficiary for the next decade. Following a period of consultation, research and a feasibility study in 2023, a three step plan has been developed that will aim to ensure Calvert lakes supports those with the most profound and complex disabilities; and then puts in place the foundations for relocating our Calvert Stables service to a new site where much needed services for the disabled community can be developed.

Having incurred feasibility study costs during 2023, the Trust has delayed launching a fundraising appeal in excess of £2 million during 2024. The expectation now is that the major appeal will be launched from 2026 onwards to coincide with our 50th anniversary, and the first stage of the project will include feasibility, professional fees and project development costs.

**Trustees' Contingency Reserve**

The trustees consider that reserves should be set aside to cover uninsurable contingencies such as fundraising shortfalls or losses resulting from having to close the Calvert Lakes centre or Calvert Stables for unforeseeable reasons. As a result of the continuing recovery from the Coronavirus crisis, the investment in Calvert Reconnections and the ongoing cost of living crisis the Trustees Contingency Reserve was utilised during the previous financial year in keeping with this purpose and has not yet been rebuilt.

Having considered the unavoidable costs of the 6 month enforced closure of one of the Trust's centres the value of the Trustees' Contingency Reserve is considered to be £700,000. Given the shortfall in the current level of the reserve alternative sources of funding, including repayable loan facilities and non interest bearing supporter loans, have been put in place until the reserve can be rebuilt. It is the trustees' intention to rebuild the Trustees' Contingency Reserve to the required level as soon as circumstances reasonably permit. The reserve is expected to be funded through windfall gifts, such as legacies, rental income from our Old Windebrowe property and operational surpluses as our occupancy levels grow.

Both the policy and the balance are reviewed annually.

21. **Statement of funds (continued)**

**Restricted funds**

**Special Enabling Fund**

The trustees' policy is, as far as possible, to make charges to our visitors that reflect the cost of running our Calvert Lakes centre, excluding costs of depreciation. The Special Enabling Fund contains funds, both donated directly and transferred from General Funds, which have been earmarked to provide limited financial assistance to visitors, both individual and groups, who would otherwise not be able to afford to visit the centre. This assistance is offered at the discretion of the Chief Executive.

**Restricted Donations Fund**

This fund accounts for monies donated for specific expenditure. Transfers from this fund represent contributions towards qualifying expenditure which is not presented as direct expenditure, such as contributions towards capital items.

**Statement of funds - prior year**

| | *Balance at 1 December 2022* £ | *Income* £ | *Expenditure* £ | *Transfers in/out* £ | *Gains/ (Losses)* £ | *Balance at 30 November 2023* £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| **Designated funds** | | | | | | |
| Trustees' Contingency Reserve | *249,236* | - | - | *(249,236)* | - | - |
| Fixed Asset Reserve | *4,646,044* | - | *(268,835)* | *50,857* | - | *4,428,066* |
| Revaluation Reserve | *251,180* | - | - | *(3,532)* | - | *247,648* |
| Development and Improvement Reserve | *41,870* | - | *(8,962)* | *(4,002)* | - | *28,906* |
| The Friends of the Calvert Trust (Lake District) | - | - | - | *23,704* | - | *23,704* |
| Appeal Fund | - | - | *(52,610)* | - | - | *(52,610)* |
| | *5,188,330* | - | *(330,407)* | *(182,209)* | - | *4,675,714* |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2024

### 21. Statement of funds (continued)

| | *Balance at 1 December 2022* £ | *Income* £ | *Expenditure* £ | *Transfers in/out* £ | *Gains/ (Losses)* £ | *Balance at 30 November 2023* £ |
|---|---|---|---|---|---|---|
| **General funds** | | | | | | |
| Unrestricted reserve | - | *2,814,449* | *(3,145,285)* | *328,593* | *2,243* | - |
| **Total Unrestricted funds** | *5,188,330* | *2,814,449* | *(3,475,692)* | *146,384* | *2,243* | *4,675,714* |

| | *Balance at 1 December 2022* £ | *Income* £ | *Expenditure* £ | *Transfers in/out* £ | *Gains/ (Losses)* £ | *Balance at 30 November 2023* £ |
|---|---|---|---|---|---|---|
| **Restricted funds** | | | | | | |
| The Friends of the Calvert Trust (Lake District) | *42,000* | *7,000* | *(25,296)* | *(23,704)* | - | - |
| Special Enabling Fund | *28,237* | *67,100* | - | *(48,945)* | - | *46,392* |
| Restricted Donations Fund | *45,130* | *101,779* | *(29,858)* | *(73,735)* | - | *43,316* |
| | *115,367* | *175,879* | *(55,154)* | *(146,384)* | - | *89,708* |
| **Total of funds** | *5,303,697* | *2,990,328* | *(3,530,846)* | - | *2,243* | *4,765,422* |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2024

### 22. Analysis of net assets between funds

**Analysis of net assets between funds - current period**

| | Restricted funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|
| Tangible fixed assets | - | 4,452,948 | **4,452,948** |
| Current assets | 127,011 | 213,020 | **340,031** |
| Creditors due within one year | (273) | (342,398) | **(342,671)** |
| Creditors due in more than one year | - | (483,529) | **(483,529)** |
| **Total** | 126,738 | 3,840,041 | **3,966,779** |

Included within unrestricted funds is £4,447,244 of designated funds, split between £4,452,948 held within fixed assets and (£5,704) held within current assets.

**Analysis of net assets between funds - prior period**

| | *Restricted funds 2023 £* | *Unrestricted funds 2023 £* | *Total funds 2023 £* |
|---|---|---|---|
| Tangible fixed assets | - | *4,675,714* | *4,675,714* |
| Fixed asset investments | - | *401,477* | *401,477* |
| Current assets | *89,708* | *394,321* | *484,029* |
| Creditors due within one year | - | *(429,757)* | *(429,757)* |
| Creditors due in more than one year | - | *(366,041)* | *(366,041)* |
| **Total** | *89,708* | *4,675,714* | *4,765,422* |

Included within unrestricted funds is £4,675,714 of designated funds, held entirely within fixed assets.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2024

### 23. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2024 £ | 2023 £ |
|---|---|---|
| Net expenditure for the period (as per Statement of Financial Activities) | **(798,643)** | *(538,275)* |
| **Adjustments for:** | | |
| Depreciation charges | **265,363** | *268,835* |
| Investment income recognised in statement of financial activities | **(12,081)** | *(13,004)* |
| Loss on the sale of fixed assets | **3,421** | - |
| Decrease/(increase) in stocks | **3,780** | *(700)* |
| Decrease in debtors | **178,406** | *205,558* |
| Decrease in creditors | **(31,879)** | *(15,660)* |
| Increase/(decrease) in deferred income | **(55,207)** | *63,063* |
| **Net cash used in operating activities** | **(446,840)** | *(30,183)* |

### 24. Analysis of cash and cash equivalents

| | 2024 £ | 2023 £ |
|---|---|---|
| Cash in hand | **169,916** | *131,728* |
| **Total cash and cash equivalents** | **169,916** | *131,728* |

### 25. Analysis of changes in net debt

| | At 1 December 2023 £ | Cash flows £ | At 30 November 2024 £ |
|---|---|---|---|
| Cash at bank and in hand | **131,728** | **38,188** | **169,916** |
| Debt due within 1 year | **(20,000)** | **-** | **(20,000)** |
| Debt due after 1 year | **(366,041)** | **(117,488)** | **(483,529)** |
| | **(254,313)** | **(79,300)** | **(333,613)** |

## 26. Pension commitments

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to the profit and loss in respect of defined contribution schemes was £101,415 (2023 - £88,140)

Contributions totalling £6,782 (2023 - £12,207) were payable to the fund at the balance sheet date and are included in creditors.

## 27. Operating lease commitments

At 30 November 2024 the Company had oustanding commitments for future minimum lease payments under non-cancellable operating leases as follows:

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Land and buildings** | | |
| Not later than 1 year | **1** | *2,501* |
| Later than 1 year and not later than 5 years | **4** | *4* |
| Later than 5 years | **31** | *32* |
| | **36** | *2,537* |

## 28. Related party transactions

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

**James W Fryer-Spedding - Trustee**
The trust paid rent to James W Fryer-Spedding, trustee amounting to £8 (2023 - £5) during the year. The rents paid are below market value.

**Donations from Trustees**
An aggregated total of £747 (2023 - £3,000) donations were made to the charitable company during the year from trustees, these donations were provided without conditions attached.

**The Friends of the Calvert Trust (Lake District)**
The charitable company is trustee of the above charity and during the year The Friends of the Calvert Trust (Lake District) provided donations and legacy income to the charitable company of £89,488 (2023 - £7,000) and this is shown as disclosed in Note 21.

**Loans from Trustees**
During the year the charitable company received loans from Trustees of £65,000 (2023 - £102,500). The loans were unsecured, interest free arrangements repayable on demand. At the balance sheet date the amount due to Trustees was £65,000 (2023 - £nil).

**THE LAKE DISTRICT CALVERT TRUST**

England & Wales - Charity number 270923

# Accounts

Charity Registration No. 270923

Company Registration No. 01240160 (England and Wales)

# THE LAKE DISTRICT CALVERT TRUST

(A COMPANY LIMITED BY GUARANTEE)

# ANNUAL REPORT AND FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 30 NOVEMBER 2023

Calvert Trust
Challenging Disability Through Outdoor Adventure
Lake District

# THE LAKE DISTRICT CALVERT TRUST

## CONTENTS


| | Page |
|---|---|
| Legal and administrative information | 1 - 3 |
| Chair's statement | 4 - 5 |
| Trustees' report | 6 - 13 |
| Statement of trustees' responsibilities | 14 |
| Independent auditor's report | 15 - 18 |
| Statement of financial activities | 19 - 20 |
| Balance sheet | 21 - 22 |
| Statement of cash flows | 23 |
| Notes to the financial statements | 24 - 48 |

# THE LAKE DISTRICT CALVERT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|---|---|---|
| **Trustees** | Giles H Mounsey-Heysham, Chair to 23/04/2023 | (Resigned 23 April 2023) |
| | Martin G Mullin, Chair from 23/04/2023 | |
| | Julian J Handy, Deputy-Chair to 23/04/2023 | (Resigned 23 April 2023) |
| | Ian S Lowthian | |
| | Heather A Batey | |
| | James W Fryer-Spedding | |
| | Anthony D Glynn | |
| | Emily J Flynn | |
| | Judith Gate | |
| | Anne L Dunn | |
| | David G Brown | |
| | Hannah Richardson | (Appointed 27 February 2023) |
| | Srinivas Madipalli | (Appointed 21 July 2023) |
| | William JC Ponsonby | (Appointed 21 July 2023) |
| **Secretary** | Anthony D Glynn | |
| **Other Officers** | Sean Day, Chief Executive | |
| **Charity Number** | 270923 | |
| **Company Number** | 01240160 | |
| **Country of Incorporation** | England and Wales | |
| **Principal Office** | Little Crosthwaite<br>Underskiddaw<br>Keswick<br>Cumbria<br>CA12 4QD | |
| **Auditor** | David Allen<br>Chartered Accountants and Statutory Auditors<br>Dalmar House<br>Barras Lane Estate<br>Dalston<br>Carlisle<br>Cumbria<br>CA5 7NY | |

# THE LAKE DISTRICT CALVERT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|---|---|
| **Bankers** | Barclays Bank plc<br>Penrith Branch<br>Market Square<br>Penrith<br>Cumbria<br>CA11 7YB<br><br>CAF Bank<br>25 Kings Hill Avenue<br>Kings Hill<br>West Malling<br>Kent<br>ME19 4JQ |
| **Investment Advisors** | Sarasin and Partners LLP<br>Juxon House<br>100 St. Paul's Churchyard<br>London<br>EC4M 8BU |

# THE LAKE DISTRICT CALVERT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|---|---|
| **Finance Committee** | Anthony D Glynn, Chair<br>Martin G Mullin<br>Judith Gate<br>Philip Stout, Co-opted Member<br>Stuart Coe, Co-opted Member |
| **Audit Committee** | David G Brown, Chair<br>Anthony D Glynn<br>James Fryer-Spedding<br>Roger Cooke, Co-opted Member<br>Alastair Roberts, Co-opted Member |
| **Income Generation Committee** | Anne L Dunn, Chair<br>Martin G Mullin<br>Hannah Richardson |
| **People and Operations Committee** | Ian S Lowthian, Chair<br>Emily J Flynn<br>Martin G Mullin<br>Judith Gate<br>Rosemary Riley, Co-opted Member |
| **Nominations Committee** | James Fryer-Spedding, Chair<br>Martin G Mullin<br>Judith Gate<br>Claire Hensman, Co-opted Member |
| **Clinical Committee** | Heather A Batey, Chair<br>Martin G Mullin<br>David G Brown<br>William JC Ponsonby<br>Fiona Nixon, Co-opted Member<br>Alice Melville, Co-opted Member |
| **Emeritus Trustees** | John Fryer-Spedding CBE<br>Roger Cooke, Vice President<br>John Wood<br>Tony Welton<br>Michael Toulmin<br>Mark Winfield<br>Corinna Cartwright<br>Stephen Nicol<br>William R Bell<br>Claire T Hensman |

# THE LAKE DISTRICT CALVERT TRUST

## CHAIR'S STATEMENT

## *FOR THE YEAR ENDED 30 NOVEMBER 2023*

Welcome to my first statement as Chair of Trustees for The Lake District Calvert Trust. I took over the role from Giles Mounsey-Heysham in April 2023 and it is a privilege to work with such an outstanding organisation.

Firstly, I must acknowledge the wonderful leadership Giles has provided to the Trust. He has been Chair for 9 years with another 5 years as a trustee. His tenure has coincided with one of the most challenging periods in the charity's history. His calm, collaborative and positive approach has enabled us to successfully navigate the pandemic years, significant inflationary pressures and a difficult labour market. During his tenure there have been many significant developments at the Trust culminating in the opening of the new Acquired Brain Injury (ABI) service – Calvert Reconnections – in 2021. We are grateful to Giles for his steadfast leadership and wish him well for the future. Thank you Giles.

We started 2023 in a similar way to 2022 in that our reserves were low as we continued to support Calvert Reconnections through the start up phase. We went into the year with strong forward bookings for Calvert Lakes which gave us much hope. It was fantastic, therefore, to see the hard work of the Calvert Reconnections' team rewarded as occupancy quickly ramped up and 248 bed weeks were achieved against 104 for the prior year. The service supported a total of 24 clients during the year and closed the year with 6 clients resident in the service. This gives us great hope for 2024 and I must acknowledge the fortitude of the team and their tenacity as they worked hard to accelerate the start up phase. Outcomes for the clients have been remarkable and yet again the service was nominated for Rehabilitation Provider of the Year. Head of Service, Claire Appleton, has worked tirelessly together with her team and they have the admiration, as well as the thanks, of the trustee Board.

Our Calvert Lakes service again delivered wonderful outcomes for our participants and it never ceases to amaze me, as I observe activities, just how much joy and happiness the team deliver. The forward bookings tailed off in the early part of 2023 such that overall bednights were 8,996 compared to 9,342 in the prior year. We hosted 2,864 children and adults (2,325 in 2022) and we continue to develop the service offering to increase occupancy in the winter months.

The Trust's stables were a popular and much in-demand service albeit not without challenges. We acquired two new horses in 2022 and one of these new additions, Queenie, turned out to be in foal. We greeted a strong and healthy new foal in April 2023 and named her Calvert Majestic Star (stable name Peggy). Our ability to deliver a full service has improved with the enhanced capacity from our addition of two horses and the return to a full staff team. However, the continued prevalence of low flying jets, which are extraordinarily loud, limits our ability to trap drive except at weekends. We developed a new offering of weekend breaks focused around horses and the stables. These were well received and we filled 7 such weekends with many more planned for 2024.

As I have mentioned earlier, we have continued to invest in provision of services at Calvert Lakes and Calvert Stables whilst supporting Calvert Reconnections through its startup phase. As a result, the trustee contingency reserve was £NIL at the end of 2023 (2022 £249,236). We are therefore grateful for the additional financial support from, and partnership with, the Francis C Scott Charitable trust with their social investment loan of £300k.

Fundraising for the year was £696,620 including £211,844 of legacy income. We are particularly grateful to the estates of the late Joel Conradt Eberlin and the late Gilian Verity Benson Brown for their sizeable legacy gifts to the Trust. We massively appreciate the continued financial support we receive from a wide range of givers including the grant making trusts that support us, The Friends of Calvert Trust (Lake District), the many clubs, charities and organisations and the many private individuals who give so generously. Your support enables us to continue to give so many people with disabilities access to wonderful outdoor experiences that would otherwise not be available to them.

During 2023 we were saddened to hear of the death of Terry Lansbury, Emeritus Trustee. Terry was a Trustee from 1994 to 2003 and remained a passionate ambassador and supporter of the Trust. His experience and guidance will be sadly missed.

Our trustee Board was reinforced during 2023 with three excellent additions. I welcome Hannah Richardson, Srin Madipalli and Will Ponsonby to the team and I hope they will find their association with Calvert Lakes to be inspiring and rewarding.

## CHAIR'S STATEMENT (CONTINUED)

### *FOR THE YEAR ENDED 30 NOVEMBER 2023*

I would like to thank all of the trustees for their continued hard work and commitment during the last 12 months. The committee chairs have worked hard these past 12 months to improve the effectiveness of the discussions and ensure a focus on providing both a strategic and operational challenge. We are working diligently to forge closer working relationships with the senior leadership team and ensure we have a "joined up" organisation with a common focus.

I am delighted to see the success during 2023 with turning our high-level strategic plan into a series of deliverable strategic initiatives and I am excited for the developments that are being planned for the next 5 years. During 2024 we plan to launch a significant appeal that will facilitate an expansion of Calvert Lakes to enable us to deliver the wonderful outcomes to a wider cohort of people with disabilities as well as enhance our ability to host more people living with profound disability.

Finally, may I acknowledge the staff team. They have once again been superb in their focus on maintaining an inspiring, warm and friendly environment in spite of the challenges. In keeping with our values I am determined that we will continue to be ambitious, inspiring and sensitive so that we deliver an outstanding experience for our employees as well as our guests.

**Martin Mullin**

# THE LAKE DISTRICT CALVERT TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

## *FOR THE YEAR ENDED 30 NOVEMBER 2023*

The trustees, who are also directors of the charity for the purposes of company law, present their annual report and financial statements for the year ended 30 November 2023. The annual report serves the purposes of both a Trustee's Report and a Director's Report under company law.

### Structure, Governance and Management

The charity was incorporated on 12 January 1976 as a Company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association. The charity has dispensed with the use of the word "Limited" in its name.

The Trust's first centre at Keswick was opened in 1978. Working closely with the Trust's disabled visitors and the many organisations that visit our centres, the Trust has pioneered the provision and promotion of outdoor activities for people with disabilities.

The Board of trustees have delegated day to day management of the Trust to a Senior Leadership Team (SLT) led by our Chief Executive. Following a governance review in 2022, the Board of trustees reformed its standing committees to work across the Trust in the areas of – People and Operations, Clinical Governance, Income Generation and Finance. Additional committees including an Audit Committee, to provide financial and risk oversight and ensure compliance responsibilities are met, and a Nominations Committee have also been established. As part of the reforms, the Board of trustees increased meeting frequencies and meets at least four times a year to receive reports from the Chief Executive, Senior Leadership Team and each committee in order to ensure that all trustees are fully involved in the Trust's governance process.

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

The trustees are from a variety of relevant professional, business and charitable backgrounds with a number having lived experience of impairment, difference or disability. The composition of the trustees' board and their experience and skills are regularly reviewed, to ensure the number and balance of trustees remains appropriate.

All directors of the company are also trustees of the charity, and there are no other trustees. All of the trustees named on the Legal and Administrative Information page served throughout the year except as declared. The Board has the power to appoint additional trustees as it considers fit to do so.

### Use of Volunteers

The charity has benefitted from the help of over 80 volunteers during the financial year. The majority of these volunteers assist and support the riding activities, with other volunteers also assisting in supporting our residential Calvert Lakes courses and programmes. The Trust has benefitted from volunteers supporting essential fundraising activities during this period.

### Trustees' Induction and Training

All new trustees complete a fit and proper person assessment, follow a formal trustee induction process and receive a trustee induction pack. They also complete an orientation meeting with the Chief Executive, annual appraisal and fit and proper person assessments, followed by formal training on disability awareness and safeguarding as part of a schedule of ongoing refresher training.

### Key Management Personnel Pay and Remuneration

The key management personnel of the charity consist of the senior leadership and management team members. The remuneration of the senior leadership team and an annual pay award for all staff is set and agreed by the Finance Committee and approved by the Board.

**Fundraising**

The charity carries out a number of fundraising activities throughout the financial year. These activities are organised through the Trust's fundraising team. The Trust adheres to a fundraising code and is registered with the Fundraising Regulator to ensure all fundraising activities follow best practice. The charity also uses external consultants to provide assistance when undertaking major appeals.

**Aims, Objectives and Public Benefit**

The charity exists in order to benefit people with disabilities. It aims to enable them, together with their families and friends, to achieve their potential through experiencing the challenge of outdoor adventure in the countryside. It does so principally through the provision of specialised facilities in and near Keswick in the Lake District.

The particular benefits that the charity's activities offer to our visitors are:

- The enrichment of their lives through adventure, confidence building and personal achievement.
- The chance to enjoy countryside of exceptional natural beauty.
- The opportunity to participate in a programme that includes relaxation as well as course activity.
- The enjoyment of recreational activities that can be transferred into everyday living.
- Brain injury rehabilitation combining traditional interdisciplinary clinical therapies with physical activities in the outdoors.
- Personal development and support leading to integration.

The Trust recognises the economic disadvantage experienced by many people with disabilities. Accordingly, in suitable cases it may be able to offer direct financial support in the form of bursaries. In other instances it may be possible to guide visitors towards other sources of subsidy. The charity's philosophy is to try to ensure that no person with a disability should be deprived of the opportunity of a visit because of a lack of funds.

When exercising their powers or duties, the trustees pay due regard to the Charity Commission's public benefit guidance. In this regard, they recognise that to satisfy the 'public' aspect of the guidance, the charity's activities must:

- benefit the public in general, or a sufficient section of the public; and
- not give rise to more than incidental personal benefit where 'personal benefit' may include financial benefits (e.g. cash payments), non-financial benefits or payments in kind (e.g. benefits in the form of goods or services); or benefits to trustees. A personal benefit is considered 'incidental' where it is a necessary result or by-product of carrying out the charity's purpose.

Trustees also recognise that to satisfy the 'benefit' aspect of the guidance:

- the purpose and activities of the charity must be beneficial - this must be in a way that is identifiable and capable of being proved by evidence where necessary and which is not based on personal views; and
- any detriment or harm that results from the purpose (to people, property or the environment) must not outweigh the benefit – again, this should be based on evidence and not personal views

**Activities**

The charity is proud to offer a wide range of exciting outdoor activities, meaningful challenge, rehabilitation and adventure within a framework of safety. It has been involved in the development of an extensive range of activities for disabled people, which now include sailing, accessible biking, canoeing, kayaking, climbing, abseiling, horse riding, carriage driving, mountaineering, hillwalking / pushing, bush craft, orienteering, archery, challenge activities and accessible ropes courses.

The charity constantly strives to expand and improve the range of activities available to its visitors. It is pleased to be recognised as a leader in its field.

**Trustees' Indemnities**

The charity has held trustee indemnity insurance throughout the accounting period

### Tangible Fixed Assets for Use by the Charity

Changes in fixed assets are shown in the notes to the financial statements. The Trust occupies two freehold properties near Keswick named Little Crosthwaite and Old Windebrowe, which were the subject of a generous gift when the Trust was founded. The Trust uses these properties as the bases from which it carries out its work. The properties, when gifted, were subject to a restriction that, should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity.

The Trust also occupies an accessible boathouse on Bassenthwaite Lake and various grazing for our stables facility on a leasehold basis. The Trust continued to operate Bowderstone Cottage in Borrowdale on a leasehold basis from the National Trust during the year. The cottage was returned to the National Trust in March 2024 after 10 years of operation as an accessible mountain hut.

### Safety and Risk Management

The Trust commissions regular health and safety audits. Audits of safety procedures have been undertaken in 2006, 2009, 2016 and 2019. In addition, a specific report was commissioned in 2018 to review pedestrian and vehicle movements at our Little Crosthwaite centre. Recommendations to enhance safety were received and improvements were completed in 2019. All recommendations have been implemented and are monitored by the People and Operations Committee.

During 2022 an independent review of our new Calvert Reconnections brain injury rehabilitation service was commissioned. This confirmed the Trust was meeting the standards required of a CQC registered care home and rated the service as "Good" overall. In March 2023, Calvert Reconnections was formally inspected by the CQC and a "Good" inspection result was confirmed in May 2023.

In keeping with the policy of regular health and safety audits, the Calvert Stables service was inspected by an external Health & Safety advisor in February 2024. Recommendations to enhance safety were received and completion of improvements is being monitored by the People and Operations Committee.

In March 2023, Calvert Reconnections was formally inspected by the CQC and a "Good" inspection result was confirmed in May 2023.

The trustees actively review the major risks which the charity faces on a regular basis and have completed and incorporated significant risks associated with the new Calvert Reconnections service.

The trustees believe the current cashflow forecast confirms the Trust has sufficient resources to manage the impact of normal seasonal reductions in income and cash during the winter 2024/25 period. The Trustees' Contingency Fund is then expected to provide cover in the event of unexpected contingencies. Over the last three years the Trust has utilised unrestricted reserves in the recovery following Covid and in the establishment of our new rehabilitation service. The trustees have put in place alternative sources of finance, including £386,041 of loan facilities, to provide additional funds until the reserves can be rebuilt.

The trustees also examine other operational and business risks faced by the charity and monitor systems to mitigate the significant risks. Risks associated with IT infrastructure and data protection were considered and infrastructure was improved to support remote working during the crisis. During 2021 the Trust was able to install a reliable 100mb internet connection to Calvert Lakes and during 2022 a similar connection was established for Calvert Reconnections and Calvert Stables. During 2023 systems have continued to be improved with next generation firewalls installed, Microsoft 365 introduced and improved wi-fi networks at Calvert Reconnections.

### Other Calvert Trusts

The Trust is one of three Calvert Trust centres. The other two are Northumbria Calvert Trust (Charity Number 511851) and Exmoor Calvert Trust (Charity Number 1005776).

The work of the three Trusts is co-ordinated by The Council of the Calvert Trust (Charity Number 1042423) and the trustees of The Council of the Calvert Trust are the three operating Trusts.

## STRATEGIC REPORT

### Achievements and Performance

The Trust finished 2022 having completed a major strategic review. This followed a challenging year where the impact of the cost-of-living crisis on our beneficiaries, immediately following the pandemic, resulted in lower than planned occupancy across our services. At the same time the Trust saw its own costs of staffing and delivery increase significantly. The outcome was a decision to maintain services to beneficiaries, draw down further on our own reserves if needed and seek to turn our strategic vision into a deliverable plan.

This decision was only possible thanks to the very generous support provided by legacy income. In particular, confirmation of a significant legacy gift from Joel Conradt Eberlin, a long-term volunteer and supporter of the Lake District Calvert Trust, whose gift of a property provided the Trust with financial certainty at a difficult time.

In order to transform our vision into an ambitious and inspirational plan the Trust undertook a comprehensive consultation exercise with stakeholders and organisations working in related sectors. Progress was made in development of a clear plan that will deliver on the Trust's vision with an expectation of approaching stakeholders and cornerstone funders during 2024.

Following the previous two years of staffing challenges and high turnover, 2023 started with a mostly full staff team and few vacancies. Turnover during the year, although still higher than before the pandemic, was at a more manageable level. Coupled with success in filling planned appointments the Trust was able to maintain full service delivery and continue the growth of Calvert Reconnections.

Calvert Lakes

Having secured pilot project grant funding during 2022, the Trust partnered with the NHS North East and North Cumbria to run an outdoor and sensory activities short break service for children and adults with Autism and/or Learning Disability in North Cumbria. This provided respite for families, and stimulating activities, promoting health and wellbeing to the individuals during the winter months (January to April) when the Trust has available capacity.

The pilot program proved very successful, supporting 12 children and young people with disabilities to access 20 days of respite activity. 100% of respondents rated the program as either good or excellent with all saying they would access the service again if it was available. Partnering with NHS and Local Authority colleagues and working with families in the community enabled the service to reach those most at need. Having demonstrated the need and benefits of the new service, matched funding has subsequently been secured to continue and expand this much needed during winter 2024 and 2025.

Our Calvert Lakes' residential short breaks programs achieved 8,996 bednights in the year. This is down slightly from the previous year's occupancy of 9,342 bednights with analysis highlighting the impact of reduced funding on groups such as special schools. Despite this reduction in bednights, the Trust supported 2,864 children and adults with disabilities together with their families and friends to participate in Calvert Lakes residential courses. An increase from the previous year's 2,325 individuals, highlighting the move to shorter courses as a result of financial restrictions. Looking ahead the Trust is committed to increasing our bursary funds to help address the financial impact on our beneficiaries.

The service continued to deliver on our charitable mission of enabling people with disabilities to achieve their potential through the challenge of adventurous activities in the countryside. The outcomes from this work are detailed in our impact report, available on our website at www.calvertlakes.org.uk. Our 'Theory of Change' identifies the key outcomes we achieve and long-term benefits which include:

- Improved capability for independent living
- Improved physical and mental health
- Improved educational (and employment) outcomes

During the year the Trust was able to restructure our Sales, Marketing and Fundraising teams. Key to this was the recruitment of a Head of Income Generation and an Income Generation Manager. Both appointments had an almost immediate positive impact and a renewed focus on a strategic approach to both fundraised and generated income.

The continued program of refurbishment of our hydrotherapy pool continued with replacement and upgrade work to low energy LED lighting and control systems. As a result of being open for the full year, 6,716 community participant sessions were held during the year, compared to 3,107 in 2022.

Calvert Reconnections

With the service still in its infancy and needing to demonstrate continued achievement of desired rehabilitation goals, the expectation was that the service would experience measured growth with a conservative increase in numbers from the previous year expected. As it transpired Calvert Reconnections had a strong year and exceeded targets and expectations.

The 2023 budget target for Calvert Reconnections was for 166 weeks occupied (2022: 104). The actual achieved was 248 weeks occupied from 24 clients (2022: 14) staying an average of 14 weeks each (2022: 8). As a 10-bed centre the maximum occupancy of the service is 520 weeks occupied. The service therefore achieved average occupancy of 48% over the year with occupancy peaking in September 2023 with 9 clients in the service. As a result of the success of the rehabilitation service, Calvert Reconnections achieved an operational surplus of £49,216 (before depreciation or a contribution to overheads) in its second full year of delivery.

The Calvert Reconnections 2023 Clinical Outcomes Report can be found on the Trusts website at www.calvertreconnections.org.uk. Calvert Reconnections use the established Individual Recovery Outcomes Counter (IROC) outcomes measurement tool as part of our clinical monitoring processes. Having achieved a 150% increase in occupancy during 2023, the service reported that of the participants who completed the IROC at admission and discharge, 100% reported a maintained or improved hope for the future or improved hope for the future. Of these 70% went on to report an improved sense of purpose and direction in their lives. This demonstrates the success of the service in achieving positive outcomes.
Having registered with the Care Quality Commission (CQC) in 2021 as a provider of personal care the service had its first full inspection in March 2023. The inspection assessed the service against standards across 5 Key Lines of Enquiry or KLOEs, safe, effective, caring, responsive and well led. Following two full days of inspection, the service received a rating of "Good" against all 5 KLOEs with an overall rating of "Good" for the service as a whole. This is a tremendous achievement and reflects the hard work of our Head of Service, Registered Manager, and the entire Calvert Reconnections team.

Having demonstrated the success of the service in providing unique and effective rehabilitation, the service was once again a finalist in the Personal Injury Awards 2023 Rehab Provider of the Year category and was also proud to be shortlisted in two categories of the inaugural Neuro Rehab Times Awards 2023, Rehab Outcome of the Year and the Above and Beyond Award.

Calvert Stables

Our accessible riding centre continued to move forwards with increasing operational capacity in order to meet the needs of a changing user group. This required recruitment of both staff and ponies, and we thank our supporters for enabling the purchase of two new ponies during the year, Amber and Chalky. The team also had an unexpected arrival when Queenie, a new pony to the Trust at the end of 2022 was found to be in foal. Calvert Majestic Star (stable name Peggy) arrived in April with mother and foal off site for 6 months. Queenie has subsequently returned to work and the foal has been successfully rehomed.

The team successfully delivered 2,229 participant sessions, a significant improvement on the 1,396 delivered in 2022. Looking ahead the priorities for the service will be to support Calvert Reconnections' clients in their rehabilitation, continue to provide accessible activities for the local community and disabled people within Cumbria and to develop our specialist riding and driving courses delivered with Calvert Lakes' residential beneficiaries.

The year ended on a sad note as we said goodbye to Haggis who had been with the Trust for over 21 years.

**Plans for Future Periods**

The objective looking ahead is to ensure that the Trust continues to deliver life-changing and life affirming services for people with disabilities. The trustees, Senior Leadership and Management Teams have been working hard since the global crisis of the pandemic in 2020 to return the Charity to a financially sustainable operation. The Trust will be working hard to ensure that thanks to the growth of Calvert Reconnections, and our staff who deliver services, this can be achieved in 2024.

For our Calvert Reconnections centre, the priority will be to continue the growth in referrals and admissions to this new service. The objective will be to further grow occupancy and thereby generate a surplus to reinvest in the charity's services. This will be essential in ensuring the Trust can rebuild reserves and invest in our services and facilities.

In line with our strategic vision, the work undertaken in 2023 will continue and we will refine our plan to deliver our exciting vision. We are nearing completion of an exciting 10-year roadmap for the future development of the Trust and anticipate engaging with key stakeholders and funders to discuss how we start delivering on the first phases of our plan.

Our agreed vision is to -

- Continue to develop our Calvert Lakes centre so that it remains at the forefront of delivering services to those with the most profound and complex needs.
- Develop our Calvert Stables centre and increase its unique benefits for our beneficiaries through expanding equine assisted therapy / learning services.
- Plan for the future expansion of Calvert Reconnections so the service can benefit as many as possible.
- Increase opportunities to provide day services to beneficiaries within Cumbria.

Finally, we will continue with an ongoing focus on ensuring the Trust has strong foundations that enable achievement of our objectives.

- People: We will develop a great place to work strategy, recognising that our staff bring the Charity to life.
  During 2023 we surveyed and consulted staff, acting on feedback received to introduce a staff wellbeing committee and new HR Information System. Continued development and further consultation are planned for the coming year.
- Diversity: we will better engage with all communities
  During 2023 we trained all staff and Trustees, developed our policy and established our inclusivity goals.
- Sustainability: we will build a program to minimise our environmental impact driving to 'net zero'
  During 2023 we have established our baseline to inform our policy and identify our areas for improvement.
- Digital: we will leverage IT to enhance our visitor and staff experience and better engage clients and potential new ones
  During 2023 we have audited and mapped our digital infrastructure and identified areas for improvement.

**Transactions and Financial Position**

The financial statements show a net deficit of £538,275 for the year after depreciation and unallocated irrecoverable VAT (2022 deficit: £796,262). This deficit was after a depreciation charge of £268,835 (2022: £282,066). Unrestricted gifts, donations and grants totalled £520,741 (2022: £693,110).

In March 2021 an unsecured Barclay's CBIL (Coronavirus Business Interruption Loan) facility for £100,000 was obtained to provide additional contingency funds. At the year-end the remaining balance was £66,693 (2022: £86,693).

In December 2021 an unsecured social investment loan through The Francis C Scott Charitable Trust of £300,000 was secured to provide further contingency funds. This facility was for 6 years and is interest-only repayment. At the year-end the remaining balance was £319,348 following an interest holiday which deferred £19,348 of interest in the year until the final repayment date.

These loan facilities provide the Trust with essential emergency funds until reserves can once again be rebuilt.

### Financial Outlook 2024 to 2025

The trustees believe that despite the financial deficit experienced in 2023 and the subsequent utilisation of reserves, the Trust has put in place strong foundations. A robust review of forecasts was completed at the year end and at the start of 2024, Calvert Lakes forward bookings for 2024 were at a record high, Calvert Reconnections admissions and referrals were ahead of budget and a strategic fundraising appeal is in development. In 2024 the Trust expects to benefit from the receipt of accrued legacy income of £200,000, boosting cash resources. The result of cash flow modelling enables the trustees to conclude that there is not a risk, or combination of risks, that could lead to an inability to continue in operation for at least the next 12 months.

Whilst challenges remain, the trustees continue to be positive and focused on the achievement of the Trust's strategic vision. Through the realisation of generous legacy gifts, the continuing growth and potential upsides of Calvert Reconnections, prudent financial management of Calvert Lakes plus the enduring support of our many benefactors and supporters, we remain confident the Trust will continue to deliver positive life changing experiences for our beneficiaries for many years to come.

### Reserves

The Trust's total reserves decreased to £4,765,422 at the year-end (2022: £5,303,697). These total reserves being made up of general unrestricted funds of £Nil (2022: £Nil), designated funds of £4,675,714 (2022: £5,188,330) and restricted funds of £89,708 (2022: £115,367). These designated funds include £4,675,714 (2022: £4,897,224) of tangible fixed assets representing land, buildings, equipment and vehicles. The Trust's free reserves, i.e. reserves that in practice may be allocated at the trustees' discretion were £Nil (2022: £249,236). Having recovered reserves during 2021 through an emergency bounce back appeal, 2022 and 2023 have seen the Trust extensively utilise those reserves to enable the continued delivery of services to our beneficiaries in what was a challenging external environment. As Calvert Reconnections becomes established, the trustees' ambition is to rebuild reserves over the next few years in order to provide for 6-months' cover in the event of future uninsurable contingencies.

### Investment Policy and Returns

The Trust's investments are held in a charitable investment fund managed by Sarasin & Partners LLP. The investments are overseen by the Finance Committee who receive reports and meet regularly with Sarasin & Partners. The trustees' policy at this time is to reinvest returns in order to protect and grow the capital value of the funds. During November the decision was taken to remove the fund from the risks of a volatile investment market and seek the assurance of fixed returns. The bulk of the funds remain with Sarasin & Partners but are currently held in interest bearing cash accounts. The trustees will reinvest the funds when circumstances are considered more favourable.

### FINANCIAL INSTRUMENTS

### Objectives and Policies

The charity's activities expose it to a number of financial risks including credit risk and cash flow risk.

### Cash Flow Risk

The charity's activities expose it primarily to the financial risks of interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

As part of its financial management arrangements the trustees have introduced monthly cash flow forecasts which extend until November 2025. These enable the Trust to rapidly model different financial scenarios and to sensitivity test key assumptions. Further high-level annual forecasts have been produced which extend to 2027.

### Credit Risk

The charity's principal financial assets are bank balances and cash, trade and other receivables and investments. The trustees have considered the risks that affect the day to day operations, and have implemented procedures that are appropriate to the size of the Charity.

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### *FOR THE YEAR ENDED 30 NOVEMBER 2023*

**Statement of Disclosure of Information to Auditors**

The trustees of the charity who held office at the date of approval of this annual report confirm that –

- so far as they are aware, there is no relevant audit information or other information needed by the charity's auditors in connection with preparing their report, of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

David Allen Chartered Accountants were appointed as the Trust auditors for the period commencing 1st December 2017 and remain in place. Gibbons Chartered Accountants were retained as the Trust's accountants.

David Allen Chartered Accountants, have signified their willingness to remain in office as auditors and a resolution re-appointing them will be proposed at the Annual General Meeting.

The trustees' report, including the strategic report, was approved by the Board of Trustees and signed on its behalf by:

.....
Martin G Mullin
**Trustee**

.....
Anthony D Glynn
**Trustee**

Date: 26/4/24

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

## *FOR THE YEAR ENDED 30 NOVEMBER 2023*

The trustees, who are also the directors of The Lake District Calvert Trust for the purposes of company law, are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, 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;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the Board of Trustees and signed on its behalf by:

.....

Martin G Mullin
**Trustee**

Date: 26/4/24

.....

Anthony D Glynn
**Trustee**

# THE LAKE DISTRICT CALVERT TRUST

## INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST

### Opinion

We have audited the financial statements of The Lake District Calvert Trust (the 'charitable company') for the year ended 30 November 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 November 2023 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 Companies Act 2006.

### 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 charitable company 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

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

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

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

### Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsile for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)
## TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Chair's Statement and trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair's Statement and the trustees' report, which includes the directors' report and the strategic report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair's Statement and Trustees' Report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out on page 14, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and Management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to the applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and Management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

We are not responsible for detecting fraud and preventing non-compliance and cannot be expected to detect all fraud and non-compliance with all laws and regulations. The primary responsibility for the prevention and detection of irregularities including fraud rests with both the Trustees and Management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable companny to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Alison Welton (Senior Statutory Auditor)**
**For and on behalf of David Allen, Chartered Accountants and Statutory Auditor**

Dalmar House
Barras Lane Estate
Dalston
Carlisle
Cumbria
CA5 7NY

Date: 26/04/2024

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

### *FOR THE YEAR ENDED 30 NOVEMBER 2023*

**Current financial year**

| | Notes | Unrestricted funds 2023 £ | Designated funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|---|---|
| **Income and Endowments** | | | | | | |
| Donations and legacies | 3 | 520,741 | - | 175,879 | 696,620 | 748,566 |
| Charitable activities | 4 | 2,280,704 | - | - | 2,280,704 | 1,377,260 |
| Investment income | 5 | 13,004 | - | - | 13,004 | 14,460 |
| **Total income** | | 2,814,449 | - | 175,879 | 2,990,328 | 2,140,286 |
| **Expenditure on** | | | | | | |
| Raising funds | 6 | 98,799 | 44,148 | 24,179 | 167,126 | 129,483 |
| Charitable activities | 7 | 3,046,486 | 286,259 | 30,975 | 3,363,720 | 2,779,862 |
| **Total expenditure** | | 3,145,285 | 330,407 | 55,154 | 3,530,846 | 2,909,345 |
| Gains/(losses) on investment assets | 14 | 2,243 | - | - | 2,243 | (27,203) |
| **Net (expenditure)/income before transfers** | | (328,593) | (330,407) | 120,725 | (538,275) | (796,262) |
| Gross transfers between funds | | 328,593 | (182,209) | (146,384) | - | - |
| **Net expenditure** | | - | (512,616) | (25,659) | (538,275) | (796,262) |
| Fund balances at 1 December 2022 | | - | 5,188,330 | 115,367 | 5,303,697 | 6,099,959 |
| **Fund balances at 30 November 2023** | 27 - 28 | - | 4,675,714 | 89,708 | 4,765,422 | 5,303,697 |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

### *FOR THE YEAR ENDED 30 NOVEMBER 2023*

**Prior financial year**

| | Notes | Unrestricted funds 2022 £ | Designated funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|---|---|---|---|---|---|
| **Income and Endowments** | | | | | |
| Donations and legacies | 3 | 693,110 | - | 55,456 | 748,566 |
| Charitable activities | 4 | 1,377,260 | - | - | 1,377,260 |
| Investment income | 5 | 14,460 | - | - | 14,460 |
| **Total income** | | 2,084,830 | - | 55,456 | 2,140,286 |
| **Expenditure on** | | | | | |
| Raising funds | 6 | 129,483 | - | - | 129,483 |
| Charitable activities | 7 | 2,471,995 | 296,456 | 11,411 | 2,779,862 |
| **Total expenditure** | | 2,601,478 | 296,456 | 11,411 | 2,909,345 |
| Gains/(losses) on investment assets | 14 | (27,203) | - | - | (27,203) |
| **Net (expenditure)/income before transfers** | | (543,851) | (296,456) | 44,045 | (796,262) |
| Gross transfers between funds | | 543,851 | (418,357) | (125,494) | - |
| **Net expenditure** | | - | (714,813) | (81,449) | (796,262) |
| Fund balances at 1 December 2021 | | - | 5,903,143 | 196,816 | 6,099,959 |
| **Fund balances at 30 November 2022** | 27 - 28 | - | 5,188,330 | 115,367 | 5,303,697 |

# THE LAKE DISTRICT CALVERT TRUST

## BALANCE SHEET

### *AS AT 30 NOVEMBER 2023*

| | Notes | 2023 £ | 2023 £ | 2022 £ | 2022 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **16** | | 4,675,714 | | 4,897,224 |
| Investments | **17** | | 401,477 | | 390,889 |
| | | | 5,077,191 | | 5,288,113 |
| **Current assets** | | | | | |
| Stocks | **19** | 13,968 | | 13,268 | |
| Debtors | **20** | 338,333 | | 543,891 | |
| Cash at bank and in hand | | 131,728 | | 207,472 | |
| | | 484,029 | | 764,631 | |
| **Creditors: amounts falling due within one year** | **22** | (429,757) | | (382,354) | |
| Net current assets | | | 54,272 | | 382,277 |
| **Total assets less current liabilities** | | | 5,131,463 | | 5,670,390 |
| **Creditors: amounts falling due after more than one year** | **23** | | (366,041) | | (366,693) |
| **Net assets** | | | 4,765,422 | | 5,303,697 |
| **Funds of the charity** | | | | | |
| **Income funds** | | | | | |
| Restricted funds | **27** | | 89,708 | | 115,367 |
| Unrestricted funds | | | | | |
| Revaluation reserve | **28** | | 247,648 | | 251,180 |
| Designated funds | **28** | | 4,428,066 | | 4,937,150 |
| General unrestricted funds | | | - | | - |
| | | | 4,765,422 | | 5,303,697 |

# THE LAKE DISTRICT CALVERT TRUST

## BALANCE SHEET (CONTINUED)

### *AS AT 30 NOVEMBER 2023*

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on .....

.....
Martin G Mullin
**Trustee**

.....
Anthony D Glynn
**Trustee**

**Company Registration No. 01240160**

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF CASH FLOWS

## *FOR THE YEAR ENDED 30 NOVEMBER 2023*

| | Notes | 2023 £ | 2023 £ | 2022 £ | 2022 £ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash absorbed by operations | **31** | | (30,183) | | (912,591) |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | **16** | (47,325) | | (127,288) | |
| Purchase of investments | **17** | (409,819) | | (411,080) | |
| Proceeds on disposal of investments | **17** | 399,231 | | 860,555 | |
| Investment income received | **5** | 13,004 | | 14,460 | |
| **Net cash (used in)/generated from investing activities** | | | (44,909) | | 336,647 |
| **Financing activities** | | | | | |
| Proceeds/(repayment) of bank loans | **21** | (20,000) | | (12,507) | |
| Proceeds/(repayment) of other loans | **21** | 19,348 | | 300,000 | |
| **Net cash (used in)/generated from financing activities** | | | (652) | | 287,493 |
| **Net decrease in cash and cash equivalents** | | | (75,744) | | (288,451) |
| Cash and cash equivalents at beginning of year | | | 207,472 | | 495,923 |
| **Cash and cash equivalents at end of year** | | | 131,728 | | 207,472 |

### 1 Accounting policies

**Charity information**

The Lake District Calvert Trust is a charitable company limited by guarantee incorporated in England and Wales and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The registered office is Little Crosthwaite, Underskiddaw, Keswick, Cumbria, CA12 4QD.

The Trust operates from three main centres:

| | | |
|---|---|---|
| Calvert Lakes | Calvert Reconnections | Calvert Stables |
| Little Crosthwaite | Old Windebrowe | Old Windebrowe |
| Keswick | Keswick | Keswick |
| Cumbria | Cumbria | Cumbria |
| CA12 4QD | CA12 4NT | CA12 4NT |

**Summary of significant accounting policies and key accounting estimates**

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

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1 Accounting policies** **(Continued)**

**1.2 Going concern**

Throughout 2022 and 2023 the Trustees have maintained close monitoring of performance in collaboration with the leadership team. This has enabled the Trust to deliver on the objective of reducing the annual operational deficit while continuing to establish the relatively new Calvert Reconnections service as it entered its third year of operation. This saw the net expenditure before depreciation reduce to £271,129 from £514,196 in the previous period. This is as per the forecasted operational performance before any contribution from a planned major appeal.

The Trust remains on track to achieve its financial plans and in order to provide the Trustees with sufficient evidence to support the risk assessment and viability confirmations detailed financial forecasts have been extended out until year ending 30 November 2025. Performance in early 2024 is currently ahead of plan for both Calvert Lakes and the new Calvert Reconnections service, which is forecast to generate a significant operational surplus going forwards.

The Trust remains thankful for the continued support from generous legacy gifts and will benefit from a boost to cash reserves by an amount in the order of £200,000 during the first half of 2024. The Trust continues to have access to loaned funds totalling £386,041 which provide an alternative source of funds until the Trust's own contingency reserves can be rebuilt.

Trustees have undertaken a thorough scenario planning process with the leadership team and are continuing to closely monitor performance with a focus on early warning of adverse performance. The Trustees are of the opinion that the organisation has access to adequate resources to continue to operate without disruption for the foreseeable future, being the period of at least 12 months from the date of this report. For this reason, the Trust continues to adopt the going concern basis in the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.4 Income**

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**1 Accounting policies** **(Continued)**

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

Government grants are recognised and measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Income from charitable activities is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Income is shown net of sales/value added tax, returns, rebates and discounts.

Income from other events is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established.

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of raising funds are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating staff costs by the time spent and other costs by their usage.

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

The Charity is very fortunate in receiving substantial amounts of voluntary unpaid help however this cannot be quantified and is therefore not included in the financial statements.

**1 Accounting policies** **(Continued)**

**1.6 Tangible fixed assets**

Tangible fixed assets costing £1,000 or more are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Assets under construction are accounted for at cost and are not depreciated until the accounting period in which they are brought into use.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Freehold property (buildings) | Over the remaining life of the building |
| Freehold property (installations) | 5-10% per annum straight line basis |
| Leasehold property (buildings) | Over the period of each lease |
| Leasehold property (installlations) | 10-20% per annum straight line basis |
| Furniture and equipment | 20% per annum straight line basis |
| Motor vehicles | 20% per annum straight line basis |
| Horses | Over the expected lifetime of the animal |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**1.7 Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

**1.8 Impairment of fixed assets**

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.9 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 **Accounting policies** **(Continued)**

**1.11 Financial instruments**

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charitable company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charitable company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charitable company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Fixed asset investments are recognised and measured in accordance with the accounting policy.

Debt instruments are subsequently measured at amortised cost.

The charity does not enter into or acquire derivatives or other complex financial instruments.

**1.12 Taxation**

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

**1.13 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due in accordance with the rules of the scheme.

**1.15 Horses**

The charity owns a number of horses held for the use of customers. These are initially measured at cost and depreciated over the expected lifetime of the animal.

**1 Accounting policies** **(Continued)**

**1.16 Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

**1.17 Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**1.18 Deferred income**

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement; or
- Payments are received in advance of the service or goods being provided.

**2 Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## 3 Donations and legacies

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|
| Donations and gifts | 275,204 | 175,879 | 451,083 | 293,473 |
| Legacies receivable | 211,844 | - | 211,844 | 405,667 |
| Government grants | - | - | - | 6,800 |
| Regular giving and capital donations | 33,693 | - | 33,693 | 42,626 |
| | 520,741 | 175,879 | 696,620 | 748,566 |

The above government grants includes income of £nil (2022 - £6,800) of coronavirus related grants.

## 4 Charitable activities

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---|---|---|
| Calvert Lakes fee income | 1,127,714 | 981,984 |
| Calvert Reconnections fee income | 1,152,990 | 395,276 |
| | 2,280,704 | 1,377,260 |

## 5 Investment income

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---|---|---|
| Dividends receivable from listed investments | 11,270 | 13,947 |
| Interest receivable | 1,734 | 513 |
| | 13,004 | 14,460 |

## 6 Raising funds

| | Unrestricted funds 2023 £ | funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ |
|---|---|---|---|---|---|
| **Costs of generating donations and legacies** | | | | | |
| Fundraising costs | 38,475 | 44,148 | - | 82,623 | 25,116 |
| Staff costs | 57,399 | - | 24,179 | 81,578 | 100,621 |
| Costs of generating donations and legacies | 95,874 | 44,148 | 24,179 | 164,201 | 125,737 |
| Investment management | 2,925 | - | - | 2,925 | 3,746 |
| | 98,799 | 44,148 | 24,179 | 167,126 | 129,483 |

7 **Charitable activities**

| | Centre Activities 2023 | Marketing Costs 2023 | Total 2023 | Total 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs | 1,868,221 | 124,776 | 1,992,997 | 1,675,118 |
| Depreciation | 268,835 | - | 268,835 | 282,066 |
| Temporary workers | 85,645 | - | 85,645 | 43,178 |
| Staff training | 73,399 | - | 73,399 | 58,841 |
| Activity costs | 54,920 | - | 54,920 | 46,861 |
| Riding costs | 30,753 | - | 30,753 | 38,190 |
| Centre administration and insurance | 99,139 | - | 99,139 | 96,047 |
| Facility costs | 468,195 | - | 468,195 | 356,226 |
| Other operational costs | 77,613 | 98,090 | 175,703 | 101,753 |
| Unallocated irrecoverable VAT | 92,842 | - | 92,842 | 62,957 |
| | 3,119,562 | 222,866 | 3,342,428 | 2,761,237 |
| Share of governance costs (see note 9) | 21,292 | - | 21,292 | 18,625 |
| | 3,140,854 | 222,866 | 3,363,720 | 2,779,862 |
| **Analysis by fund** | | | | |
| Unrestricted funds | 2,823,620 | 222,866 | 3,046,486 | 2,471,995 |
| Designated funds | 286,259 | - | 286,259 | 296,456 |
| Restricted funds | 30,975 | - | 30,975 | 11,411 |
| | 3,140,854 | 222,866 | 3,363,720 | 2,779,862 |

**8 Support costs allocated to charitable activities**

| | Finance costs | Staff costs | Administration costs | Premises costs | Other support costs | Total 2023 | Total 2022 |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| Centre activity fees | 29,489 | 169,425 | 21,809 | 190,616 | 69,286 | 480,625 | 396,865 |
| Marketing costs | - | 124,776 | - | - | 98,090 | 222,866 | 128,657 |
| | 29,489 | 294,201 | 21,809 | 190,616 | 167,376 | 703,491 | 525,522 |

## 9 Governance costs

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Audit fees | 6,895 | 5,800 |
| Management accountant's fees | 14,397 | 12,825 |
| | 21,292 | 18,625 |

## 10 Net movement in funds

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Net movement in funds is stated after charging/(crediting) | | |
| Audit fees | 6,895 | 5,800 |
| Management accountant's fees | 14,397 | 12,825 |
| Depreciation of owned tangible fixed assets | 268,835 | 282,066 |

## 11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

| **Fees payable to the charitable company's auditor:** | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Audit of the charitable company's financial statements | 6,895 | 5,800 |
| **Other fees to management accountants** | | |
| All other non-audit services - management accountants | 14,397 | 12,825 |

## 12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year (2022 - £nil).

No trustees have received any other benefits from the charity during the year.

## 13 Staff costs

The average monthly headcount number of employees (including senior management team) during the year was:

| | 2023 | 2022 |
|---|---|---|
| | Number | Number |
| Charitable activities | 72 | 62 |
| Fundraising and marketing | 8 | 7 |
| Total | 80 | 69 |

## 13 Staff costs (Continued)

| Employment costs | 2023 £ | 2022 £ |
|---|---|---|
| Wages and salaries | 1,829,171 | 1,561,625 |
| Social security costs | 157,264 | 138,316 |
| Other pension costs | 88,140 | 75,798 |
| | 2,074,575 | 1,775,739 |

During the year the charity incurred termination payments for loss of employment of £2,669. Details of the treatment of the termination benefit can be found in the accounting policies. The termination benefits in the year were funded from the charity's unrestricted general funds.

The number of employees whose annual remuneration was more than £60,000 is as follows:

| | 2023 Number | 2022 Number |
|---|---|---|
| £70,001 - £80,000 | 1 | 1 |

The total employee benefits of the key management personnel of the charity were £279,849 (2022 - £246,224).

## 14 Net gains/(losses) on investments

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---|---|---|
| Revaluation of investments - unrealised gain/(loss) | - | (29,358) |
| Realised gain/(loss) on sale of investments | 2,243 | 2,155 |
| Net gain/ (loss) on investments | 2,243 | (27,203) |

## 15 Taxation

The charity is a registered charity and as such is entitled to certain exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objective.

## 16 Tangible fixed assets

| | Freehold land and buildings | Leasehold land and buildings | Furniture and equipment | Motor vehicles | Horses | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Cost or valuation** | | | | | | |
| At 1 December 2022 | 7,043,144 | 460,997 | 227,701 | 349,377 | 7,500 | 8,088,719 |
| Additions | 18,851 | - | 18,974 | - | 9,500 | 47,325 |
| Disposals | - | - | (46,930) | - | - | (46,930) |
| At 30 November 2023 | 7,061,995 | 460,997 | 199,745 | 349,377 | 17,000 | 8,089,114 |
| **Depreciation and impairment** | | | | | | |
| At 1 December 2022 | 2,417,940 | 302,992 | 129,182 | 341,151 | 230 | 3,191,495 |
| Depreciation charged in the year | 207,208 | 13,919 | 39,950 | 4,114 | 3,644 | 268,835 |
| Eliminated in respect of disposals | - | - | (46,930) | - | - | (46,930) |
| At 30 November 2023 | 2,625,148 | 316,911 | 122,202 | 345,265 | 3,874 | 3,413,400 |
| **Carrying amount** | | | | | | |
| At 30 November 2023 | 4,436,847 | 144,086 | 77,543 | 4,112 | 13,126 | 4,675,714 |
| At 30 November 2022 | 4,625,204 | 158,005 | 98,519 | 8,226 | 7,270 | 4,897,224 |

The Net Book Value of freehold land and buildings and leasehold land and buildings includes installations.

**16 Tangible fixed assets** **(Continued)**

**Revaluation of fixed assets**

The Trust occupies two freehold properties near Keswick, Cumbria named Little Crosthwaite and Old Windebrowe which were subject of a generous gift when the Trust was founded. The properties, when gifted, were subject to a restriction that should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity.

During 1989, the freehold properties were revalued by the trustees, subject to the above restriction, at the then estimated net realisable value of £990,000. The unrealised surplus on revaluation, which primarily reflects a fair value on the properties originally gifted and brought into the accounts at nil value, is included in the accounts as follows:-

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Unrealised surplus on revaluation | 353,205 | 353,205 |
| Less: Accumulated depreciation as at 30 November | (105,557) | (102,025) |
| | 247,648 | 251,180 |

The water centre has been part built on freehold land and part on leasehold land. It is not practicable to attribute the build costs to each parcel of land and the costs are all included in freehold land and buildings. The lease on the leasehold is for 999 years and commenced on 29 March 2010.

Included in Land and Buildings is land at Little Crosthwaite, Underskiddaw, Keswick (Title number CU259532). This title is subject to a charge dated 16 March 2010 by:

The Homes and Communities Agency, Renaissance House, Centre Park, Warrington, Cheshire, WA1 1XB and;

The English Sports Council, Third Floor, Victoria House, Bloomsbury Square, London, WC1B 4SE.

Also included within this Land and Buildings is land at Calvert Trust Stables, Keswick (Title Number CU264021). This is subject to a legal charge by The Charity Bank, 194 High Street, Tonbridge, Kent, TN9 1BE (Company Registration No 4330018).

Furniture and equipment are deemed to be disposed after six years.

## 17 Fixed asset investments

| | Listed investments | Unlisted investments | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| At 1 December 2022 | 390,886 | 3 | 390,889 |
| Additions | 8,345 | 401,474 | 409,819 |
| Disposals | (399,231) | - | (399,231) |
| At 30 November 2023 | - | 401,477 | 401,477 |
| **Carrying amount** | | | |
| At 30 November 2023 | - | 401,477 | 401,477 |
| At 30 November 2022 | 390,886 | 3 | 390,889 |

Share valuation is based on the Bid price as at the close of business on the valuation date.

## 18 Financial instruments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Carrying amount of financial assets** | | |
| Instruments measured at fair value through profit or loss | - | 390,886 |

## 19 Stocks

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Stocks | 13,968 | 13,268 |

## 20 Debtors

| | 2023 | 2022 |
|---|---|---|
| **Amounts falling due within one year** | £ | £ |
| Trade debtors | 77,568 | 79,616 |
| Other debtors | 200,664 | 409,167 |
| Prepayments and accrued income | 60,101 | 55,108 |
| | 338,333 | 543,891 |

Other debtors includes legacies receivable after the year end.

## 21 Loans and overdrafts

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Bank loan | 66,693 | 86,693 |
| Other loan | 319,348 | 300,000 |
| | 386,041 | 386,693 |
| Payable within one year | 20,000 | 20,000 |
| Payable after one year | 366,041 | 366,693 |
| Amounts included above which fall due after five years: | | |
| Payable other than by instalments | 319,348 | 300,000 |

The bank loan is unsecured, interest-bearing and is repayable in instalments with the final repayment due on 18 March 2027, interest is charged at a floating basis.

The other loan is from The Francis C Scott Charitable Trust and is an unsecured, interest only arrangement to 16 June 2029, interest is charged at 2.5% above the base rate of the Bank of England.

## 22 Creditors: amounts falling due within one year

| | Notes | 2023 | 2022 |
|---|---|---|---|
| | | £ | £ |
| Bank loans | 21 | 20,000 | 20,000 |
| Other taxation and social security | | 46,390 | 34,721 |
| Deferred income | 24 | 220,865 | 157,802 |
| Trade creditors | | 77,241 | 108,599 |
| Other creditors | | 1,861 | 2,493 |
| Accruals | | 63,400 | 58,739 |
| | | 429,757 | 382,354 |

## 23 Creditors: amounts falling due after more than one year

| | Notes | 2023 | 2022 |
|---|---|---|---|
| | | £ | £ |
| Bank loans | 21 | 46,693 | 66,693 |
| Other borrowings | | 319,348 | 300,000 |
| | | 366,041 | 366,693 |

## 24 Deferred income

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Deferred income at 1 December 2022 | 157,802 | 186,879 |
| Amounts released from previous periods | (113,959) | (144,635) |
| Deferred in the period | 177,022 | 115,558 |
| Deferred income at 30 November 2023 | 220,865 | 157,802 |

Deferred income relates to customer payments made in advance and invoiced after the year end on the provision of the service or goods to the customer. This also includes income from Reconnections centre fees invoiced during the year but which relates to services provided after the year end.

## 25 Retirement benefit schemes

**Defined contribution schemes**

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £88,140 (2022 - £75,798).

Contributions totalling £12,207 (2022 - £10,147) were payable to the scheme at the end of the year and are included in creditors.

## 26 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Land and buildings** | | |
| Within one year | 2,501 | 2,501 |
| Between two and five years | 4 | 2,504 |
| In over five years | 32 | 33 |
| | 2,537 | 5,038 |

## 27 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

| | Movement in funds 2021-22 | | | | | Movement in funds 2022-23 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Balance at 1 December 2021 | Incoming resources | Resources expended | Transfers | Balance at 1 December 2022 | Incoming resources | Resources expended | Transfers | Balance at 30 November 2023 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Friends of Calvert Trust | 20,000 | 22,000 | - | - | 42,000 | 7,000 | (25,296) | (23,704) | - |
| Special Enabling Fund | 74,707 | 27,231 | - | (73,701) | 28,237 | 67,100 | - | (48,945) | 46,392 |
| Restricted Donations Fund | 102,109 | 6,225 | (11,411) | (51,793) | 45,130 | 101,779 | (29,858) | (73,735) | 43,316 |
| | 196,816 | 55,456 | (11,411) | (125,494) | 115,367 | 175,879 | (55,154) | (146,384) | 89,708 |

**Friends of Calvert Trust**

The independent charity raises funds for purposes specified to assist The Lake District Calvert Trust. Transfers from this fund represent contributions towards qualifying expenditure which is not presented as direct expenditure, such as contributions towards capital items.

Following a review the Friends have made the decision to de-restrict funds going forwards. During 2023 funds have been transferred from the Restricted Fund to a Designated Fund.

27 **Restricted funds** **(Continued)**

**Special Enabling Fund**

The trustees' policy is, as far as possible, to make charges to our visitors that reflect the cost of running our Calvert Lakes centre, excluding costs of depreciation. The Special Enabling Fund contains funds, both donated directly and transferred from General Funds, which have been earmarked to provide limited financial assistance to visitors, both individual and groups, who would otherwise not be able to afford to visit the centre. This assistance is offered at the discretion of the Chief Executive.

**Restricted Donations Fund**

This fund accounts for monies donated for specific expenditure. Transfers from this fund represent contributions towards qualifying expenditure which is not presented as direct expenditure, such as contributions towards capital items.

**28 Unrestricted and Designated funds**

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | Movement in funds 2021-22 | | | | | Movement in funds 2022-23 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Balance at 1 December 2021 | Incoming resources | Resources expended | Transfers | Revaluations, gains and losses | Balance at 1 December 2022 | Incoming resources | Resources expended | Transfers | Revaluations, gains and losses | Balance at 30 November 2023 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Unrestricted reserve | - | 2,084,830 | (2,601,478) | 543,851 | (27,203) | - | 2,814,449 | (3,145,285) | 328,593 | 2,243 | - |
| **Designated** | | | | | | | | | | | |
| Trustees' Contingency Reserve | 310,944 | - | - | (61,708) | - | 249,236 | - | - | (249,236) | - | - |
| Fixed Asset Reserve | 4,797,290 | - | (282,066) | 130,820 | - | 4,646,044 | - | (268,835) | 50,857 | - | 4,428,066 |
| Revaluation Reserve | 254,712 | - | - | (3,532) | - | 251,180 | - | - | (3,532) | - | 247,648 |
| Development and Improvement Reserve | 141,000 | - | (14,390) | (84,740) | - | 41,870 | - | (8,962) | (4,002) | - | 28,906 |
| Calvert Lakes Winter Reserve | 235,304 | - | - | (235,304) | - | - | - | - | - | - | - |
| Calvert Reconnections Winter Reserve | 163,893 | - | - | (163,893) | - | - | - | - | - | - | - |
| Friends of Calvert Trust | - | - | - | - | - | - | - | - | 23,704 | - | 23,704 |
| Appeal Fund | - | - | - | - | - | - | - | (52,610) | - | - | (52,610) |
| | 5,903,143 | - | (296,456) | (418,357) | - | 5,188,330 | - | (330,407) | (182,209) | - | 4,675,714 |
| | 5,903,143 | 2,084,830 | (2,897,934) | 125,494 | (27,203) | 5,188,330 | 2,814,449 | (3,475,692) | 146,384 | 2,243 | 4,675,714 |

28 **Unrestricted and Designated funds** **(Continued)**

**Trustees' Contingency Reserve**

The trustees consider that reserves should be set aside to cover uninsurable contingencies such as fundraising shortfalls or losses resulting from having to close either the Calvert Lakes centre, Calvert Reconnections centre or the Calvert Stables for unforeseeable reasons. As a result of the continuing recovery from the Coronavirus crisis and the third year of developing the new Calvert Reconnections service, the Trustees' Contingency Reserve was utilised during the previous year in keeping with this purpose.

Having considered the unavoidable costs of a 6 months enforced closure of one of the Trust's centres, the appropriate value of the Trustees' Contingency Reserve is considered to be £760,000. Given the shortfall in the current value of the reserve alternative sources of funding in the form of repayable loan facilities have been put in place until the reserve can be rebuilt. It is the trustees' intention to build back the Trustees' Contingency Reserve to the required level as soon as circumstances reasonably permit. The reserve is expected to be funded through windfall gifts such as legacies and the generation of operational surpluses as our services continue to grow occupancy and income.

Both the policy and the balance are reviewed annually.

**Fixed Asset Reserve and Revaluation Reserve**

The trustees have established these funds to clarify to users of the accounts the amount of reserves that are tied up in Fixed Assets and Revaluation Reserve. Transfers shown from the Fixed Assets Reserve and other funds reflect the purchases of assets now used in the general purposes of the Charity. This in turn helps clarify to users of the accounts the level of general funds.

**Development and Improvement Reserve**

This reserve has been established in order that trustees can designate funds to use for identified projects that are considered above and beyond normal operating expenditure. The reserve will normally be funded through unexpected 'windfall' income such as legacy gifts in excess of annual forecasts or unplanned operational surpluses and taken from General Funds when circumstances allow.

**Calvert Lakes Winter Reserve**

This reserve was established in 2021 to accommodate reduced income in the low season at Calvert Lakes between December 2021 and March 2022 as the Trust recovered from the Coronavirus pandemic, resulting in costs in excess of income generated. The reserve was utilised during the winter of 2021/22 in keeping with this purpose. Alternative sources of income and operation are constantly being considered to reduce the low season imbalance and need for this reserve as the Trust recovers from the Coronavirus pandemic.

**28 Unrestricted and Designated funds** **(Continued)**

**Calvert Reconnections Winter Reserve**

This reserve was necessary to provide working capital in the initial trading period of Calvert Reconnections when booking patterns are unknown and Coronavirus remained a negative factor resulting in expected reduced occupancy over the winter period, December 2021 to March 2022. The expectation is that this reserve will not be required for future years.

**Friends of Calvert Trust**

The independent charity raises funds for purposes specified to assist The Lake District Calvert Trust. When circumstances allow funds will be used to complete specific projects, purchase items of equipment or match fund donations from other sources.

Following a review the Friends have made the decision to de-restrict funds going forwards. During 2023 funds have been transferred from the Restricted Fund to a Designated Fund.

**Major Appeal Fund**

The charity started work on its major appeal in 2023. This major redevelopment project will seek to ensure the charity supports more people, is more effective and becomes more sustainable, thereby continuing to meet the changing needs of the Trust's beneficiaries for the next decade. Following a period of consultation, research and feasibility study in 2023, a three step plan has been developed that will aim to ensure Calvert Lakes supports those with the most profound and complex disabilities; the Trust maximises the impact of our groundbreaking Calvert Reconnections service; and then puts in place the foundations for relocating our Calvert Stables service to a new site where new much needed services for the disabled community can be developed.

Having incurred feasibility study costs during 2023, the Trust will be launching a fundraising appeal in excess of £2million during 2024 to deliver the first stage of the project, including feasibility, professional fees and project development costs.

29 Analysis of net assets between funds

| | Unrestricted funds 2023 £ | Designated funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|---|---|---|---|---|
| **Fund balances at 30 November 2023 are represented by:** | | | | |
| Tangible assets | - | 4,675,714 | - | 4,675,714 |
| Investments | 401,477 | - | - | 401,477 |
| Current assets/(liabilities) | (35,436) | - | 89,708 | 54,272 |
| Long term liabilities | (366,041) | - | - | (366,041) |
| | - | 4,675,714 | 89,708 | 4,765,422 |

| | Unrestricted funds 2022 £ | Designated funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|---|---|---|---|---|
| **Fund balances at 30 November 2022 are represented by:** | | | | |
| Tangible assets | - | 4,897,224 | - | 4,897,224 |
| Investments | - | 366,786 | 24,103 | 390,889 |
| Current assets/(liabilities) | 366,693 | (75,680) | 91,264 | 382,277 |
| Long term liabilities | (366,693) | - | - | (366,693) |
| | - | 5,188,330 | 115,367 | 5,303,697 |

## 30 Related party transactions

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

**James W Fryer-Spedding - Trustee**
The trust paid rent to James W Fryer-Spedding, trustee amounting to £5 (2022 - £5) during the year. The rents paid are below market value. James W Fryer-Spedding made donations to the charity during the year of £3,000 (2022 - £Nil). James W Fryer-Spedding purchased goods from the charity during the year totalling £900 (2022 - £Nil).

**Christine Sheldon - Trustee**
Christine Sheldon made donations to the charity during the year of £Nil (2022 - £2,500). Christine Sheldon purchased goods from the charity during the year totalling £Nil (2022 - £216).

**Giles H Mounsey-Heysham - Trustee**
Giles H Mounsey-Heysham made donations to the charity during the year of £Nil (2022 - £500).

**Martin G Mullin - Trustee**
Martin G Mullin purchased goods from the charity during the year totalling £1,665 (2022 - £93).

**Ian S Lowthian - Trustee**
Ian S Lowthian purchased goods from the charity during the year totalling £95 (2022 - £Nil).

**Heather A Batey - Trustee**
Heather A Batey purchased goods from the charity during the year totalling £195 (2022 - £Nil).

**Anthony D Glynn- Trustee**
Anthony D Glynn purchased goods from the charity during the year totalling £750 (2022 - £Nil).

**Emily J Flynn - Trustee**
Emily J Flynn purchased goods from the charity during the year totalling £560 (2022 - £Nil).

**Anne L Dunn - Trustee**
Anne L Dunn purchased goods from the charity during the year totalling £95 (2022 - £Nil).

**Loans from Trustees**
During the year the Charity received a loan from Trustees of £102,500 (2022 - £Nil). The loan was an unsecured, interest free arrangement repayable on demand. At the balance sheet date the amount due to/ from Trustees was £Nil (2022 - £Nil).

## 31 Cash generated from operations

| | Notes | 2023 £ | 2022 £ |
|---|---|---|---|
| Deficit for the year | | (538,275) | (796,262) |
| Adjustments for: | | | |
| Investment income recognised in statement of financial activities | 5 | (13,004) | (14,460) |
| Fair value gains and losses on investments | | - | 29,358 |
| Depreciation and impairment of tangible fixed assets | 7 | 268,835 | 282,066 |
| Movements in working capital: | | | |
| (Increase)/decrease in stocks | 19 | (700) | 258 |
| Decrease/(increase) in debtors | 20 | 205,558 | (421,551) |
| (Decrease)/increase in creditors | 22 | (15,660) | 37,077 |
| Increase/(decrease) in deferred income | 24 | 63,063 | (29,077) |
| **Cash absorbed by operations** | | (30,183) | (912,591) |

## 32 Analysis of changes in net (debt)/funds

| | At 1 December 2022 £ | Cash flows £ | At 30 November 2023 £ |
|---|---|---|---|
| Cash at bank and in hand | 207,472 | (75,744) | 131,728 |
| Loans falling due within one year | (20,000) | - | (20,000) |
| Loans falling due after more than one year | (366,693) | 652 | (366,041) |
| | (179,221) | (75,092) | (254,313) |

**THE LAKE DISTRICT CALVERT TRUST**

England & Wales - Charity number 270923

# Accounts

Charity Registration No. 270923

Company Registration No. 01240160 (England and Wales)

# THE LAKE DISTRICT CALVERT TRUST

(A COMPANY LIMITED BY GUARANTEE)

# ANNUAL REPORT AND FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 30 NOVEMBER 2022

Calvert Trust

Challenging Disability Through Outdoor Adventure

Lake District

# THE LAKE DISTRICT CALVERT TRUST

## CONTENTS


| | Page |
|---|---|
| Legal and administrative information | 1 - 3 |
| Chair's statement | 4 - 5 |
| Trustees' report | 6 - 13 |
| Statement of trustees' responsibilities | 14 |
| Independent auditor's report | 15 - 18 |
| Statement of financial activities | 19 - 20 |
| Balance sheet | 21 - 22 |
| Statement of cash flows | 23 |
| Notes to the financial statements | 24 - 46 |
| Appendix 1 | 48 |

# THE LAKE DISTRICT CALVERT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|---|---|---|
| **Trustees** | Giles H Mounsey-Heysham, Chair | |
| | William R Bell | (Resigned 29 April 2022) |
| | Julian J Handy, Deputy-Chair | |
| | Claire T Hensman | (Resigned 29 April 2022) |
| | Martin G Mullin | |
| | Christine Sheldon | (Resigned 27 February 2023) |
| | Ian S Lowthian | |
| | William T S Braithwaite KC | (Resigned 25 November 2022) |
| | Heather A Batey | |
| | James W Fryer-Spedding | |
| | Anthony D Glynn | |
| | Emily J Flynn | |
| | Victoria H D Notman | (Resigned 29 April 2022) |
| | Judith Gate | |
| | Anne L Dunn | |
| | David G Brown | (Appointed 25 November 2022) |
| | Hannah Richardson | (Appointed 27 February 2023) |
| **Secretary** | Anthony D Glynn | |
| **Other Officers** | Sean Day, Centre Director | |
| **Charity Number** | 270923 | |
| **Company Number** | 01240160 | |
| **Country of Incorporation** | England and Wales | |
| **Principal Office** | Little Crosthwaite<br>Underskiddaw<br>Keswick<br>Cumbria<br>CA12 4QD | |
| **Auditor** | David Allen<br>Chartered Accountants and Statutory Auditors<br>Dalmar House<br>Barras Lane Estate<br>Dalston<br>Carlisle<br>Cumbria<br>CA5 7NY | |

# THE LAKE DISTRICT CALVERT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|---|---|
| **Bankers** | Barclays Bank plc<br>Keswick Branch<br>Market Square<br>Keswick<br>Cumbria<br>CA12 5BE<br><br>CAF Bank<br>25 Kings Hill Avenue<br>Kings Hill<br>West Malling<br>Kent<br>ME19 4JQ |
| **Investment Advisors** | Sarasin and Partners LLP<br>Juxon House<br>100 St. Paul's Churchyard<br>London<br>EC4M 8BU |

# THE LAKE DISTRICT CALVERT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|---|---|
| **Finance Committee** | Martin G Mullin, Chair<br>Giles H Mounsey-Heysham<br>Judith Gate<br>Philip Stout, Co-opted Member<br>Stuart Coe, Co-opted Member |
| **Audit Committee** | Anthony D Glynn, Chair<br>Martin G Mullin<br>James Fryer-Spedding<br>Roger Cooke, Co-opted Member<br>Steve Ward, Co-opted Member |
| **Income Generation Committee** | Anne L Dunn, Chair<br>Giles H Mounsey-Heysham<br>David G Brown<br>Janaki Spedding, Co-opted Member |
| **People and Operations Committee** | Ian S Lowthian, Chair<br>Julian J Handy<br>Giles H Mounsey-Heysham<br>Emily J Flynn<br>Martin G Mullin<br>Judith Gate<br>Rosemary Riley, Co-opted Member |
| **Nominations Committee** | James Fryer-Spedding, Chair<br>Giles H Mounsey-Heysham<br>Judith Gate<br>Claire Hensman, Co-opted Member |
| **Clinical Governance Committee** | Heather A Batey, Chair<br>William T S Braithwaite KC<br>Christine Sheldon<br>Martin G Mullin<br>Giles H Mounsey-Heysham<br>Fiona Nixon, Co-opted Member |
| **Emeritus Trustees** | John Fryer-Spedding CBE<br>Roger Cooke, Vice President<br>John Wood<br>Tony Welton<br>Terry Lansbury<br>Michael Toulmin<br>Mark Winfield<br>Corinna Cartwright<br>Stephen Nicol<br>William Bell |

# THE LAKE DISTRICT CALVERT TRUST

## CHAIR'S STATEMENT

## *FOR THE YEAR ENDED 30 NOVEMBER 2022*

In my statement last year, I mentioned the many challenges facing the Trust. In the 2022 year, those challenges remained and in many cases intensified. As a result it was a difficult year for the Trust. Despite this, we continue to survive thanks to the generous support we previously received for our 2021 bounce back appeal and the continued assistance from our many benefactors and supporters. We look forward to the return of sunnier times.

The charity saw a significant "building back" at Calvert Lakes and continued development at Reconnections in a really competitive local market for staffing. This stretched our teams as they worked extremely hard to satisfy the demand that had been held back during the pandemic. All this was against a challenging economic backdrop of inflation and high energy prices, our beneficiaries being hit hard and a fund raising environment where many charities understandably directed their funds towards the needs of Ukraine and its people.

The Trust ended the year somewhat exhausted but ready to regroup so as to capitalise on the increasing demand and the promising advance bookings at Calvert Lakes as well as an expanding client pipeline at Calvert Reconnections.

Our financial figures reflect the difficult year with a headline deficit of (£796,262) (2021: surplus of £488,001). This reflects the "stretch" in recovering following the Covid-19 pandemic at Calvert Lakes in a challenging staffing and high inflation environment. At the same time continuing to invest in Reconnections ready to support the developing pipeline of ABI clients. Underlying fee income from Centre activities was £1,377,260 (2021: £751,697), including £395,276 from Calvert Reconnections (2021: £256,530).

Our 2022 activity level was almost double that of 2021. At Lakes we hosted 2,325 children and adults with disabilities together with their families and friends (2021: 1,293) totalling 9,342 bed nights (2021: 4,831). 2022 saw the return of Charity Groups and a proportion of Schools to Calvert Lakes and I am delighted to report that this is set to continue into 2023.

At Reconnections, the service supported 14 clients during the year (2021: 8) for a total of 104 "bed weeks" (2021: 67). It was a year with an increasing profile in the Acquired Brain Injury (ABI) community. The team were delighted to be finalists for the Rehabilitation Provider of the Year at the prestigious Personal Injury Awards. We continued to build our processes and procedures and successfully completed a mock inspection following the CQC key lines of enquiry resulting in a posative rating. At the end of the year we began to explore rehabilitation and step down services to support the NHS.

The Trustees Contingency Reserve was £249,236 at the end of 2022 (2021; £310,944). We are grateful for the ongoing support and guidance from the Francis C Scott Charitable Trust, who bolstered our cash reserves with a £300,000 social investment loan.

The Trust's stables continued to provide accessible riding and trap driving and delivered 1,403 participant sessions through the year (2021: 1,680). The majority again came from the local community and from Riding for the Disabled. Our session numbers were held back by staff shortfalls and horse availability. As always, our thanks and gratitude go out to the staff, volunteers and the Stables Committee for their continued support, advice and guidance.

Fundraising for the year was £693,110 including £405,667 of legacy income (2021: £1,116,611 buoyed by the Bounce Back appeal and Oliver's Calvert Army). I am especially grateful to the estate of Joel Eberlin for their significant legacy donation to the Trust. We really appreciate the continued support of The Friends of Calvert Trust (Lake District), the Francis C Scott Charitable Trust, Rotary and Lions Clubs across the county, Cumbria Community Foundation and (again) the Voysey family, as well as many, many others, too numerous to mention. Thank you all for your ongoing and valuable support which enables us to help our beneficiaries in such challenging times.

I would like to record my enormous thanks to Christine Sheldon, Bill Bell, Claire Hensman, Bill Braithwaite and Victoria Notman who stood down as trustees during the year. Christine served on several committees too numerous to mention and Bill Bell was Chair of The Friends of Calvert Trust. We really appreciate their considerable contributions. We were saddened by the passing of Brian Moreton, Friends committee member and driving force behind the establishment of the successful Lowther Castle Outdoor Play annual event. I warmly welcome David Brown and Hannah Richardson as Trustees.

## CHAIR'S STATEMENT (CONTINUED)

### *FOR THE YEAR ENDED 30 NOVEMBER 2022*

Our staff teams were amazing. Despite so many challenges, they again came to the fore with a steady stream of appreciative feedback from our many clients and guests. We were impacted by staff turnover (at 39%), even though this was in line with the local community as businesses returned to normal activity and competed for staff. We completed an Engagement Survey with our staff teams and worked on the feedback to help build the Trust as a great place for our people to work.

Our trustees were again vital in keeping us afloat and moving in a positive direction. I thank you all for bearing with us, staying positive and continuing to roll up your sleeves in these difficult times.

We look to 2023 to return to pre-pandemic activity levels at Calvert Lakes and importantly continue growing Calvert Reconnections occupancy as we begin to move out of the investment phase, towards this centre becoming self-sustaining. We will continue to work with our people, through training and development, to help them (and us) continue to grow our services. In line with our Strategic Plan, we look to enhance our offering and build the financial resilience of our Trust.

This will be my last Chair's statement, as I stand down in April. I am delighted that Martin Mullin who has been a trustee for 7 years and also Chair of our Finance Committee, has kindly agreed to step into my shoes. I have enjoyed my 14 years as trustee and Chair enormously and I wish the Trust the very best of good fortune in the years to come.

Can I close by thanking all of our staff, trustees, volunteers, benefactors and friends for their unfailing support in helping us through such a challenging year.

I thank and salute you all.

**Giles Mounsey-Heysham**

The trustees, who are also directors of the charity for the purposes of company law, present their annual report and financial statements for the year ended 30 November 2022. The annual report serves the purposes of both a Trustee's Report and a Director's Report under company law.

### Structure, Governance and Management

The charity was incorporated on 12 January 1976 as a Company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association. The charity has dispensed with the use of the word "Limited" in its name.

The Trust's first centre at Keswick was opened in 1978. Working closely with the Trust's disabled visitors and the many organisations that visit our centres, the Trust has pioneered the provision and promotion of outdoor activities for people with disabilities.

The Board of trustees have delegated day to day management of the Trust to a Senior Leadership Team (SLT) led by our Centre Director. Following a governance review in 2022, the Board of trustees reformed its standing committees to work across the Trust in the areas of – People and Operations, Clinical Governance, Income Generation and Finance. Additional committees including an Audit Committee, to provide financial and risk oversight and ensure compliance responsibilities are met, and a Nominations Committee have also been established. As part of the reforms, the Board of trustees increased meeting frequencies and meets at least four times a year to receive reports from the Centre Director, Senior Leadership Team and each committee in order to ensure that all trustees are fully involved in the Trust's governance process.

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

The trustees are from a variety of relevant professional, business and charitable backgrounds with a number having lived experience of disability. The composition of the trustees' board and their experience and skills are regularly reviewed, to ensure the number and balance of trustees remains appropriate.

All directors of the company are also trustees of the charity, and there are no other trustees. All of the trustees named on the Legal and Administrative Information page served throughout the year except as declared. The board has the power to appoint additional trustees as it considers fit to do so.

### Use of Volunteers

The charity has benefitted from the help of over 60 volunteers during the financial year. The majority of these volunteers assist and support the riding activities, with other volunteers also assisting in supporting our residential Calvert Lakes courses and programmes. The Trust has benefitted from volunteers supporting essential fundraising activities during this period.

### Trustees' Induction and Training

All new trustees complete a fit and proper person assessment, follow a formal trustee induction process and receive a trustee induction pack. They also complete an orientation meeting with the Centre Director, annual appraisal and fit and proper person assessments, followed by formal training on disability awareness and safeguarding as part of a schedule of ongoing refresher training.

### Key Management Personnel Pay and Remuneration

The key management personnel of the charity consist of the senior leadership and management team members. The remuneration of the senior leadership team and an annual pay award for all staff is set and agreed by the Finance Committee.

### Fundraising

The charity carries out a number of fundraising activities throughout the financial year. These activities are organised through the Trust's fundraising team. The Trust adheres to a fundraising code and is registered with the Fundraising Regulator to ensure all fundraising activities follow best practice. The charity also uses external consultants to provide assistance when undertaking major appeals.

### Aims, Objectives and Public Benefit

The charity exists in order to benefit people with disabilities. It aims to enable them, together with their families and friends, to achieve their potential through experiencing the challenge of outdoor adventure in the countryside. It does so principally through the provision of specialised facilities in and near Keswick in the Lake District.

The particular benefits that the charity's activities offer to our visitors are:

- The enrichment of their lives through adventure, confidence building and personal achievement.
- The chance to enjoy countryside of exceptional natural beauty.
- The opportunity to participate in a programme that includes relaxation as well as course activity.
- The enjoyment of recreational activities that can be transferred into everyday living.
- Brain injury rehabilitation combining traditional interdisciplinary clinical therapies with physical activities in the outdoors.
- Personal development and support leading to integration.

The Trust recognises the economic disadvantage experienced by many people with disabilities. Accordingly, in suitable cases it may be able to offer direct financial support in the form of bursaries. In other instances it may be possible to guide visitors towards other sources of subsidy. The charity's philosophy is to try to ensure that no person with a disability should be deprived of the opportunity of a visit because of a lack of funds.

When exercising their powers or duties, the trustees pay due regard to the Charity Commission's public benefit guidance. In this regard, they recognise that to satisfy the 'public' aspect of the guidance, the charity's activities must:

- benefit the public in general, or a sufficient section of the public; and
- not give rise to more than incidental personal benefit where 'personal benefit' may include financial benefits (e.g. cash payments), non-financial benefits or payments in kind (e.g. benefits in the form of goods or services); or benefits to trustees. A personal benefit is considered 'incidental' where it is a necessary result or by-product of carrying out the charity's purpose.

Trustees also recognise that to satisfy the 'benefit' aspect of the guidance:

- the purpose and activities of the charity must be beneficial - this must be in a way that is identifiable and capable of being proved by evidence where necessary and which is not based on personal views; and
- any detriment or harm that results from the purpose (to people, property or the environment) must not outweigh the benefit – again, this should be based on evidence and not personal views

### Activities

The charity is proud to offer a wide range of exciting outdoor activities, meaningful challenge, rehabilitation and adventure within a framework of safety. It has been involved in the development of an extensive range of activities for disabled people, which now include sailing, accessible biking, canoeing, kayaking, climbing, abseiling, horse riding, carriage driving, mountaineering, hillwalking / pushing, bush craft, orienteering, archery, challenge activities and accessible ropes courses.

The charity constantly strives to expand and improve the range of activities available to its visitors. It is pleased to be recognised as a leader in its field.

### Trustees' Indemnities

The charity has held trustee indemnity insurance throughout the accounting period.

**Tangible Fixed Assets for Use by the Charity**

Changes in fixed assets are shown in the notes to the financial statements. The Trust occupies two freehold properties near Keswick named Little Crosthwaite and Old Windebrowe, which were the subject of a generous gift when the Trust was founded. The Trust uses these properties as the bases from which it carries out its work. The properties, when gifted, were subject to a restriction that, should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity.

The Trust also occupies an accessible boathouse on Bassenthwaite Lake, Bowderstone Cottage in Borrowdale and various grazing for our stables facility on a leasehold basis.

**Safety and Risk Management**

The Trust commissions regular health and safety audits. Audits of safety procedures have been undertaken in 2006, 2009, 2016 and 2019. In addition, a specific report was commissioned in 2018 to review pedestrian and vehicle movements at our Little Crosthwaite centre. Recommendations to enhance safety were received and improvements were completed in 2019. All recommendations have been implemented and are monitored by the People and Operations Committee.

During 2022 an independent review of our new Calvert Reconnections brain injury rehabilitation service was commissioned. This confirmed the Trust was meeting the standards required of a CQC registered care home and rated the service as "Good" overall. Recommendations to enhance safety and quality were received and incorporated into the service improvement plan.

The trustees actively review the major risks which the charity faces on a regular basis and have completed and incorporated significant risks associated with the new Calvert Reconnections service.

The trustees believe that the Trust's current reserves provide sufficient resources to manage the impact of seasonal reductions in income and cashflow during the winter period. The Trustees' Contingency Fund is then expected to provide cover in the event of unexpected contingencies. The current fund balance has reduced and at year-end provides for of up to 2 months adverse conditions in normal trading periods. This is a reduction from the previous position of requiring 6 months reserves in normal trading conditions. The trustees have put in place alternative sources of finance, including £368,693 of loan facilities, to provide additional funds until the reserves can be rebuilt.

The trustees also examine other operational and business risks faced by the charity and monitor systems to mitigate the significant risks. Risks associated with IT infrastructure and data protection were considered and infrastructure was improved to support remote working during the crisis. During 2021 the Trust was able to install a reliable 100mb internet connection to Calvert Lakes and during 2022 a similar connection was established for Calvert Reconnections and Calvert Stables.

**Other Calvert Trusts**

The Trust is one of three Calvert Trust centres. The other two are Northumbria Calvert Trust (Charity Number 511851) and Exmoor Calvert Trust (Charity Number 1005776).

The work of the three Trusts is co-ordinated by The Council of the Calvert Trust (Charity Number 1042423) and the trustees of The Council of the Calvert Trust are the three operating Trusts.

### STRATEGIC REPORT

**Achievements and Performance**

Unlike the preceding year, 2022 started without an enforced lockdown or significant coronavirus restrictions in place. This was the result of the successful national vaccine rollout and was both an achievement for the country as well as a major step forward for the Trust. The Charity as a whole was therefore operational for the first quarter of the year with an optimistic outlook, despite the expectations of a significant Omicron wave being experienced across the country over December, January and February. The Trust's planning for the year was developed on the assumption that normal operations would then resume from March 22 onwards. As it happened, this forecast was on the optimistic side.

The expected Omicron wave was a significant event over the winter of 2021/22, but lockdowns and significant restrictions were avoided. The wave did remain significant until March, lasting longer than expected and the impact of infections remaining higher for longer had a negative impact on the year's occupancy and performance.
A further significant impact of the pandemic was felt within the Trust's staff teams. In addition to an increase in staff absences due to sickness, the Trust experienced a major increase in staff turnover, reflecting the local and national picture within the labour markets. Staff turnover increased dramatically to 39% and the significant loss of experience within the staff team at Calvert Lakes was a significant drain on resource and management. Maintaining operations at full capacity for the entire year was a major achievement for the People Manager and the Calvert Lakes Management Team who worked exceptionally hard over this period.

Calvert Lakes

The first quarter of the year provided an opportunity to regroup and plan with significant changes to the management team, recruitment to vacant posts, refurbishment works to facilities and marketing and promotion of services. Success in all of these areas was mixed with continued challenges in a difficult operating environment.

Staffing challenges continued into 2022 with further staff departures for a wide range of reasons, many outside the Trust's control. This was not unique to the Trust with both the hospitality and outdoor industries reporting significant staffing challenges locally and the media and economists terming the period 2021 to 2022 "the great resignation" nationally. The impact for the Trust was a significant loss of experienced staff as the year progressed which was offset to some extent by the Management Team and People Manager successfully recruiting some talented new staff who bring with them energy, enthusiasm and skills that can be developed.

The Calvert Lakes occupancy assumptions for the year included a budget target of 10,179 bednights. This target was based on the assumption of a very slow winter followed by a return to nearly normal pre-covid levels of bookings from March 2022 onwards. In reality, Calvert Lakes saw a much slower start to the year than expected. This was the result of a combination of the winter Omicron wave being larger and longer than expected, with a resulting impact on our beneficiary's confidence to book, and the staff changes within our Sales and Marketing Team resulting in reduced marketing and sales activity at the start of the year. Both the slow marketing activity and below-forecast occupancy saw a turnaround mid-year as we successfully recruited to the team and brought in an experienced consultant to support. The out-turn for the year end was occupancy of 9,342 bednights, a significant increase from the previous year's 4,831 bednights but over 9% down against our target.

Despite the challenges of the year we mustn't lose sight of the positive impact the Trust's services and programs had on our beneficiaries. 2,325 children and adults with disabilities together with their families and friends benefited from participation in Calvert Lakes residential courses. For the majority, this was their first residential experience since the covid pandemic started in 2020. There was an immense sense of relief for many and in particular we saw an increase in the number of families returning and benefitting from both the great outdoors and the social experience after a long, and in many cases difficult, period of lockdown and restrictions.

Calvert Lakes was also able to complete the significant refurbishment works to the hydrotherapy pool over the winter, thanks to support from the Band Trust. From March 2022 the Trust was able to reopen this much needed resource to the public. To manage demand, scheduling was reviewed with priority given to the disabled community and aqua-therapy sessions for our Calvert Reconnections clients. Individual session times were increased to eliminate crossover at changing times improving infection control. 3,107 community participant sessions were held during the year, compared to none during 2021.

Calvert Reconnections

With clients heading home for the Christmas and New Year break, the Trust undertook the opportunity to complete further refurbishment works to provide more bathroom facilities. This was achieved at the loss of two bedrooms but ensured that all remaining 10 bedrooms have a bathroom each with no sharing of facilities. This is an important step forwards in a post covid world as it meets best practice in infection control. The opportunity was also taken to provide a mix of ensuite and non-ensuite bathrooms so that different rehabilitation needs can be met, including one very accessible bedroom with a very accessible ensuite wet-room that meets the needs of those with more profound physical disabilities.

These works were intended to be completed by the end of January 2022, however following a number of delays, the main accommodation area was not handed back until mid-February. Works to remaining areas were not completed for a further 6 weeks.

The 2022 budget target for Calvert Reconnections was for 288 weeks occupancy. This assumption was based on achieving 18 client admissions staying for an average of 16 weeks each. The actual achieved was 104 weeks occupied from 14 clients staying an average of 8 weeks each. This shortfall in occupancy was determined to be a result of the continued impact of the covid-pandemic on the residential rehab sector, the newness of the service resulting in a lack of previous occupancy data on which to base the 2022 targets and the service still being new to the sector and becoming known.

During 2022 the Calvert Reconnections service was able to produce its first outcomes report. Based on clinical evaluations, the headline findings were as follows:

- 100% of participants improved their ability to carry out everyday activities.
- 100% of participants needed less support when they were discharged and 60% have progressed onto independent living.
- 100% of participants reported an improved hope for the future and an improved sense of purpose and direction in their life.
- 90% of participants achieved their goals.
- 80% of participants felt more empowered through greater participation and control over decisions that affect their lives.

Having registered with the Care Quality Commission (CQC) in 2021 as a provider of personal care the service is yet to have its first inspection and rating. To ensure the highest standards of care were being delivered an independent inspection by a third-party assessor was undertaken. This resulted in an overall rating of "Good", a fantastic achievement that acknowledged the hard work of the team.

Having demonstrated the success of the service in providing unique and effective rehabilitation, the service was proud to be a finalist in the Personal Injury Awards 2022 Rehab Provider of the Year.

Calvert Stables

Our accessible riding centre, like our other services, continued to operate under challenging conditions as the recovery from the effects of the pandemic continued. The stables started the year with reduced staffing, restricted numbers of volunteers and reduced numbers of ponies. Service delivery was therefore focused on supporting our community riders, Riding for the Disabled (RDA) participants and supporting Calvert Reconnections deliver rehabilitation. Sessions for Calvert Lakes groups were restricted for the year as a necessary measure whilst capacity is increased.

With several staffing vacancies at the start of the year maintaining services during periods of staff absence presented significant challenges, reducing capacity even further. Fortunately, the team successfully filled vacant roles and as 2022 came to an end, the team returned to full strength. With reduced horse numbers, securing additional ponies was also a priority. Finding suitable ponies with the calm nature required and ability to deliver the specialist services offered presented a real challenge. One new horse was secured during the year and the team continue to look for others.

**Plans for Future Periods**

Having delivered its first full year of activity since the pandemic, the Trust is expecting the period of consolidation and adjustment to the new 'normal' to continue into 2023. The focus for the year ahead will therefore be on stabilising both Calvert Lakes and Calvert Stables. Establishing the staff teams and working to return both centres to pre-pandemic levels of occupancy.

For our Calvert Reconnections centre, the priority will be to continue the growth in referrals and admissions to this new service. The objective will be to achieve a minimum of 50% occupancy by increasing the sales and marketing activity, growing the staff team and achieving a "Good" or better first CQC rating.

In line with our 5-year strategic plan, work will continue towards achieving our strategic objectives. During 2023 we expect to start the work of engaging with stakeholders to progress developments in the following key areas.

- Continuing to develop our Calvert Lakes centre so that it remains at the forefront of delivering services to those with the most profound and complex needs.
- Developing our Calvert Stables centre and increasing its unique benefits for our beneficiaries through expanding equine assisted therapy / learning services.
- Planning for the future expansion of Calvert Reconnections so the service can benefit as many as possible.
- Evaluate opportunities to provide day services to beneficiaries within Cumbria.

Finally, we will continue with an ongoing focus on ensuring the Trust has strong foundations that enable achievement of our objectives.

- **People:** We will develop a great place to work strategy, recognising that our staff bring the Charity to life.
- **Diversity:** we will better engage with all communities than we do today
- **Sustainability:** we will build a program to minimise our environmental impact driving to 'net zero'
- **Digital:** we will leverage IT to enhance our visitor and staff experience and better engage clients and potential new ones

**Transactions and Financial Position**

The financial statements show a net deficit of £796,262 for the year after depreciation and unallocated irrecoverable VAT (2021 surplus: £488,001). This deficit was after a depreciation charge of £282,066 (2021: £262,261). Unrestricted gifts, donations and grants totalled £693,110 (2021: £1,433,433).

In March 2021 an unsecured Barclay's CBIL (Coronavirus Business Interruption Loan) facility for £100,000 was obtained to provide additional contingency funds. At the year-end the remaining balance was £86,693.

In December 2021 an unsecured social investment loan through The Francis C Scott Charitable Trust of £300,000 was secured to provide further contingency funds. This facility was for 6 years and interest-only repayment. At the year-end the remaining balance was £300,000.

These loan facilities provide the Trust with essential emergency funds until reserves can once again be rebuilt.

**Financial Outlook 2023 to 2024**

The trustees believe that despite the challenging financial deficit experienced in 2022 and the subsequent utilisation of reserves, the Trust has put in place strong foundations. A robust review of forecasts was completed at the year end and at the start of 2023, Calvert Lakes forward bookings for 2023 were at a record high, Calvert Reconnections admissions and referrals were ahead of budget, and a strategic fundraising appeal is in development. The Trust will also benefit from legacy income during the year in excess of £500,000, significantly boosting cash reserves.

Whilst challenges remain, the trustees continue to be positive and focused on the achievement of the Trust's strategic vision. Through the realisation of generous legacy gifts, the continuing growth and potential upsides of Calvert Reconnections, prudent financial management of Calvert Lakes plus the enduring support of our many benefactors and supporters, we remain confident the Trust will continue to deliver positive life changing experiences for our disabled beneficiaries for many years to come.

### Reserves

The Trust's total reserves decreased to £5,303,697 at the year-end (2021: £6,099,959). These total reserves being made up of general unrestricted funds of £Nil (2021: £Nil), designated funds of £5,188,330 (2021: £5,903,143) and restricted funds of £115,367 (2021: £196,816). These designated funds include £4,897,224 (2021: £5,052,002) of tangible fixed assets representing land, buildings, equipment and vehicles. The Trust's free reserves, i.e. reserves that in practice may be allocated at the trustees discretion were £249,236 (2021: £710,141). Having recovered reserves during 2021 through an emergency bounce back appeal, 2022 saw the Trust extensively utilise those reserves to enable the continued delivery of services to our beneficiaries in what was a challenging external environment. As Calvert Reconnections becomes established, the Trustees ambition is to rebuild reserves over the next few years in order to provide for 6-month's cover in the event of future uninsurable contingencies.

### Investment Policy and Returns

The Trust's investments are held in a charitable investment fund managed by Sarasin & Partners LLP. The investments are overseen by the Finance Committee who receive reports and meet regularly with Sarasin & Partners. The trustees' policy at this time is to reinvest returns in order to protect and grow the capital value of the funds.

### FINANCIAL INSTRUMENTS

### Objectives and Policies

The charity's activities expose it to a number of financial risks including credit risk and cash flow risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees.

### Cash Flow Risk

The charity's activities expose it primarily to the financial risks of interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

As part of its financial management arrangements the trustees have introduced monthly cash flow forecasts which extend until November 2024. These enable the Trust to rapidly model different financial scenarios and to sensitivity test key assumptions. Further high-level annual forecasts have been produced which extend to 2026.

### Credit Risk

The charity's principal financial assets are bank balances and cash, trade and other receivables and investments. The trustees have considered the risks that affect the day to day operations, and have implemented procedures that are appropriate to the size of the Charity.

### Statement of Disclosure of Information to Auditors

The trustees of the charity who held office at the date of approval of this annual report confirm that –

- so far as they are aware, there is no relevant audit information or other information needed by the charity's auditors in connection with preparing their report, of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### Auditors

David Allen Chartered Accountants were appointed as the Trust auditors for the period commencing 1st December 2017 and remain in place. Gibbons Chartered Accountants were retained as the Trust's accountants.

David Allen Chartered Accountants, have signified their willingness to remain in office as auditors and a resolution re-appointing them will be proposed at the Annual General Meeting.

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### *FOR THE YEAR ENDED 30 NOVEMBER 2022*

The trustees' report, including the strategic report, was approved by the Board of Trustees and signed on its behalf by:

Giles H Mounsey-Heysham
**Trustee**

Martin G Mullin
**Trustee**

29 April 2023

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

## *FOR THE YEAR ENDED 30 NOVEMBER 2022*

The trustees, who are also the directors of The Lake District Calvert Trust for the purposes of company law, are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, 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;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the Board of Trustees and signed on its behalf by:

Giles H Mounsey-Heysham
**Trustee**

Martin G Mullin
**Trustee**

29 April 2023

# THE LAKE DISTRICT CALVERT TRUST

## INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST

### Opinion

We have audited the financial statements of The Lake District Calvert Trust (the 'charitable company') for the year ended 30 November 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 November 2022 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 Companies Act 2006.

### 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 charitable company 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

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

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

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

### Other information

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

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

We have nothing to report in this regard.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)
## TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Chair's Statement and trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair's Statement and the trustees' report, which includes the directors' report and the strategic report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair's Statement and Trustees' Report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out on page 14, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and Management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to the applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and Management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

We are not responsible for detecting fraud and preventing non-compliance and cannot be expected to detect all fraud and non-compliance with all laws and regulations. The primary responsibility for the prevention and detection of irregularities including fraud rests with both the Trustees and Management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

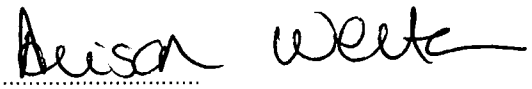
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable companny to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)
## TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Alison Welton (Senior Statutory Auditor)**
**For and on behalf of David Allen, Chartered Accountants and Statutory Auditor**

Dalmar House
Barras Lane Estate
Dalston
Carlisle
Cumbria
CA5 7NY

29 April 2023

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

### *FOR THE YEAR ENDED 30 NOVEMBER 2022*

**Current financial year**

| | Notes | Unrestricted funds 2022 £ | Designated funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|---|---|---|---|---|---|---|
| **Income and Endowments** | | | | | | |
| Donations and legacies | 3 | 693,110 | - | 55,456 | 748,566 | 1,708,141 |
| Charitable activities | 4 | 1,377,260 | - | - | 1,377,260 | 751,697 |
| Investment income | 5 | 14,460 | - | - | 14,460 | 7,726 |
| Other income | 6 | - | - | - | - | 218,936 |
| **Total income** | | 2,084,830 | - | 55,456 | 2,140,286 | 2,686,500 |
| **Expenditure on:** | | | | | | |
| Raising funds | 7 | 129,483 | - | - | 129,483 | 104,969 |
| Charitable activities | 8 | 2,471,995 | 296,456 | 11,411 | 2,779,862 | 2,097,336 |
| **Total expenditure** | | 2,601,478 | 296,456 | 11,411 | 2,909,345 | 2,202,305 |
| (Losses)/gains on investment assets | 15 | (27,203) | - | - | (27,203) | 3,806 |
| **Net (expenditure)/income before transfers** | | (543,851) | (296,456) | 44,045 | (796,262) | 488,001 |
| Gross transfers between funds | | 543,851 | (418,357) | (125,494) | - | - |
| **Net (expenditure)/income** | | - | (714,813) | (81,449) | (796,262) | 488,001 |
| Fund balances at 1 December 2021 | | - | 5,903,143 | 196,816 | 6,099,959 | 5,611,958 |
| **Fund balances at 30 November 2022** | 28 - 29 | - | 5,188,330 | 115,367 | 5,303,697 | 6,099,959 |

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

### *FOR THE YEAR ENDED 30 NOVEMBER 2022*

Prior financial year

| | Notes | Unrestricted funds 2021 £ | Designated funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|---|---|---|---|---|---|
| **Income and Endowments** | | | | | |
| Donations and legacies | 3 | 1,433,433 | - | 274,708 | 1,708,141 |
| Charitable activities | 4 | 751,697 | - | - | 751,697 |
| Investment income | 5 | 7,726 | - | - | 7,726 |
| Other income | 6 | 218,936 | - | - | 218,936 |
| **Total income** | | 2,411,792 | - | 274,708 | 2,686,500 |
| **Expenditure on:** | | | | | |
| Raising funds | 7 | 104,969 | - | - | 104,969 |
| Charitable activities | 8 | 1,779,008 | 262,261 | 56,067 | 2,097,336 |
| **Total expenditure** | | 1,883,977 | 262,261 | 56,067 | 2,202,305 |
| (Losses)/gains on investment assets | 15 | 3,806 | - | - | 3,806 |
| **Net (expenditure)/income before transfers** | | 531,621 | (262,261) | 218,641 | 488,001 |
| Gross transfers between funds | | (842,752) | 998,491 | (155,739) | - |
| **Net income/(expenditure)** | | (311,131) | 736,230 | 62,902 | 488,001 |
| Fund balances at 1 December 2020 | | 311,131 | 5,166,913 | 133,914 | 5,611,958 |
| **Fund balances at 30 November 2021** | 28 - 29 | - | 5,903,143 | 196,816 | 6,099,959 |

# THE LAKE DISTRICT CALVERT TRUST

## BALANCE SHEET

### *AS AT 30 NOVEMBER 2022*

| | Notes | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **17** | | 4,897,224 | | 5,052,002 |
| Investments | **18** | | 390,889 | | 869,722 |
| | | | 5,288,113 | | 5,921,724 |
| **Current assets** | | | | | |
| Stocks | **20** | 13,268 | | 13,526 | |
| Debtors | **21** | 543,891 | | 122,340 | |
| Cash at bank and in hand | | 207,472 | | 495,923 | |
| | | 764,631 | | 631,789 | |
| **Creditors: amounts falling due within one year** | **23** | (382,354) | | (367,687) | |
| Net current assets | | | 382,277 | | 264,102 |
| **Total assets less current liabilities** | | | 5,670,390 | | 6,185,826 |
| **Creditors: amounts falling due after more than one year** | **24** | | (366,693) | | (85,867) |
| **Net assets** | | | 5,303,697 | | 6,099,959 |
| **Funds of the charity:** | | | | | |
| **Income funds** | | | | | |
| Restricted funds | **28** | | 115,367 | | 196,816 |
| Unrestricted funds | | | | | |
| Revaluation reserve | **29** | | 251,180 | | 254,712 |
| Designated funds | **29** | | 4,937,150 | | 5,648,431 |
| General unrestricted funds | | | - | | - |
| | | | 5,303,697 | | 6,099,959 |

# THE LAKE DISTRICT CALVERT TRUST

## BALANCE SHEET (CONTINUED)

### *AS AT 30 NOVEMBER 2022*

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 29 April 2023

Giles H Mounsey-Heysham
**Trustee**

Martin G Mullin
**Trustee**

**Company Registration No. 01240160**

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF CASH FLOWS

### *FOR THE YEAR ENDED 30 NOVEMBER 2022*

| | Notes | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash (absorbed by)/generated from operations | **32** | | (912,591) | | 722,291 |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | **17** | (127,288) | | (160,979) | |
| Purchase of investments | **18** | (411,080) | | (806,188) | |
| Proceeds on disposal of investments | **18** | 860,555 | | 401,430 | |
| Investment income received | **5** | 14,460 | | 7,726 | |
| **Net cash generated from/(used in) investing activities** | | | 336,647 | | (558,011) |
| **Financing activities** | | | | | |
| Proceeds/(repayment) of bank loans | **22** | (12,507) | | 99,200 | |
| Proceeds/(repayment) of other loans | **22** | 300,000 | | - | |
| **Net cash generated from financing activities** | | | 287,493 | | 99,200 |
| **Net (decrease)/increase in cash and cash equivalents** | | | (288,451) | | 263,480 |
| Cash and cash equivalents at beginning of year | | | 495,923 | | 232,443 |
| **Cash and cash equivalents at end of year** | | | 207,472 | | 495,923 |

## 1 Accounting policies

### Charity information

The Lake District Calvert Trust is a charitable company limited by guarantee incorporated in England and Wales and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The registered office is Little Crosthwaite, Underskiddaw, Keswick, Cumbria, CA12 4QD.

The Trust operates from three main centres:

| | | |
|---|---|---|
| Calvert Lakes | Calvert Reconnections | Calvert Stables |
| Little Crosthwaite | Old Windebrowe | Old Windebrowe |
| Keswick | Keswick | Keswick |
| Cumbria | Cumbria | Cumbria |
| CA12 4QD | CA12 4NT | CA12 4NT |

### Summary of significant accounting policies and key accounting estimates

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

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.2 Going concern

2022 was a year that transpired to be at the lower end of the forecast scenarios that trustees had considered during the planning process. As previously documented, there was a slower return to residential visits at the Lakes centre primarily driven by schools whilst the new brain rehabilitation service, Calvert Reconnections, experienced a slow uptake in client numbers.

Despite these slower trends in 2022 the Trust entered 2023 with the highest level of bookings for the Lakes service ever achieved at the start of the year equating to 62% of the full year budget. The client pipeline for Reconnections at the start of the year was encouraging and the take-up of places in the first five months of the year has been strong.

In addition to the encouraging trading activities, the Trust is the beneficiary of two significant legacies that will boost cash reserves by an amount of the order of £500k. Both legacies relate to property sales which are proceeding with the larger legacy subject to a grant of probate that was submitted in August 2022. We reasonably expect to receive the majority of the funds in the first half of 2023 with an amount of the order of £50k being in the second half of 2023.

Trustees have undertaken a thorough scenario planning process with the management team and have implemented a process for 2023 that focuses on early warning of adverse performance. Trustees are confident that despite the setbacks in 2022 the Trust remains in a strong financial position and continues to operate on a going concern basis for the next 12 months.

**1 Accounting policies** **(Continued)**

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.4 Income**

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

Government grants are recognised and measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Income from charitable activities is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Income is shown net of sales/value added tax, returns, rebates and discounts.

Income from other events is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established.

1 **Accounting policies** **(Continued)**

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of raising funds are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating staff costs by the time spent and other costs by their usage.

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

The Charity is very fortunate in receiving substantial amounts of voluntary unpaid help however this cannot be quantified and is therefore not included in the financial statements.

**1.6 Tangible fixed assets**

Tangible fixed assets costing £1,000 or more are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Assets under construction are accounted for at cost and are not depreciated until the accounting period in which they are brought into use.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Freehold property (buildings) | Over the remaining life of the building |
| Freehold property (installations) | 5-10% per annum straight line basis |
| Leasehold property (buildings) | Over the period of each lease |
| Leasehold property (installlations) | 10-20% per annum straight line basis |
| Furniture and equipment | 20% per annum straight line basis |
| Motor vehicles | 20% per annum straight line basis |
| Horses | Over the expected lifetime of the animal |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**1 Accounting policies** **(Continued)**

**1.7 Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

**1.8 Impairment of fixed assets**

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.9 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1 Accounting policies** **(Continued)**

**1.11 Financial instruments**

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charitable company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charitable company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charitable company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Fixed asset investments are recognised and measured in accordance with the accounting policy.

Debt instruments are subsequently measured at amortised cost.

The charity does not enter into or acquire derivatives or other complex financial instruments.

**1.12 Taxation**

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

**1.13 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due in accordance with the rules of the scheme.

**1.15 Horses**

The charity owns a number of horses held for the use of customers. These are initially measured at cost and depreciated over the expected lifetime of the animal.

**1 Accounting policies** **(Continued)**

**1.16 Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

**1.17 Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**1.18 Deferred income**

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement; or
- Payments are received in advance of the service or goods being provided.

**2 Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## 3 Donations and legacies

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|---|---|---|---|---|
| Donations and gifts | 238,017 | 55,456 | 293,473 | 1,240,643 |
| Legacies receivable | 405,667 | - | 405,667 | 100,000 |
| Government grants | 6,800 | - | 6,800 | 316,822 |
| Regular giving and capital donations | 42,626 | - | 42,626 | 50,676 |
| | 693,110 | 55,456 | 748,566 | 1,708,141 |

The above government grants includes income of £nil (2021 - £268,261) received by the charitable company within the year from the government's Coronavirus Job Retention Scheme and £6,800 (2021 - £48,561) of other coronavirus related grants.

## 4 Charitable activities

| | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|---|---|---|
| Calvert Lakes fee income | 981,984 | 495,167 |
| Calvert Reconnections fee income | 395,276 | 256,530 |
| | 1,377,260 | 751,697 |

## 5 Investment income

| | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|---|---|---|
| Dividends receivable from listed investments | 13,947 | 6,701 |
| Interest receivable | 513 | 1,025 |
| | 14,460 | 7,726 |

## 6 Other income

| | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|---|---|---|
| Business interruption insurance payout | - | 218,936 |

## 7 Raising funds

| | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|---|---|---|
| **Costs of generating donations and legacies** | | |
| Fundraising costs | 25,116 | 21,879 |
| Staff costs | 100,621 | 81,071 |
| Costs of generating donations and legacies | 125,737 | 102,950 |
| Investment management | 3,746 | 2,019 |
| | 129,483 | 104,969 |

8 **Charitable activities**

| | Centre Activities 2022 | Marketing Costs 2022 | Total 2022 | Total 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs | 1,598,559 | 76,559 | 1,675,118 | 1,227,406 |
| Depreciation | 282,066 | - | 282,066 | 262,261 |
| Temporary workers | 43,178 | - | 43,178 | 52,299 |
| Staff training | 58,841 | - | 58,841 | 30,613 |
| Activity costs | 46,861 | - | 46,861 | 36,341 |
| Riding costs | 38,190 | - | 38,190 | 24,752 |
| Centre administration and insurance | 96,047 | - | 96,047 | 85,269 |
| Facility costs | 356,226 | - | 356,226 | 257,585 |
| Other operational costs | 49,655 | 52,098 | 101,753 | 53,024 |
| Unallocated irrecoverable VAT | 62,957 | - | 62,957 | 50,343 |
| | 2,632,580 | 128,657 | 2,761,237 | 2,079,893 |
| Share of governance costs (see note 10) | 18,625 | - | 18,625 | 17,443 |
| | 2,651,205 | 128,657 | 2,779,862 | 2,097,336 |
| **Analysis by fund** | | | | |
| Unrestricted funds | 2,343,338 | 128,657 | 2,471,995 | 1,779,008 |
| Designated funds | 296,456 | - | 296,456 | 262,261 |
| Restricted funds | 11,411 | - | 11,411 | 56,067 |
| | 2,651,205 | 128,657 | 2,779,862 | 2,097,336 |

**9 Support costs allocated to charitable activities**

| | Finance costs | Staff costs | Administration costs | Premises costs | Other support costs | Total 2022 | Total 2021 |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| Centre activity fees | 15,886 | 109,208 | 34,438 | 174,885 | 62,448 | 396,865 | 290,522 |
| Marketing costs | - | 76,559 | - | - | 52,098 | 128,657 | 83,691 |
| | 15,886 | 185,767 | 34,438 | 174,885 | 114,546 | 525,522 | 374,213 |

## 10 Governance costs

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Audit fees | 5,800 | 5,600 |
| Management accountants fees | 12,825 | 11,843 |
| | 18,625 | 17,443 |

## 11 Net movement in funds

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Net movement in funds is stated after charging/(crediting) | | |
| Audit fees | 5,800 | 5,600 |
| Management accountants fees | 12,825 | 11,843 |
| Depreciation of owned tangible fixed assets | 282,066 | 262,261 |

## 12 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

| **Fees payable to the charitable company's auditor:** | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Audit of the charitable company's financial statements | 5,800 | 5,600 |
| **Other fees to management accountants** | | |
| All other non-audit services - management accountants | 12,825 | 11,843 |

## 13 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year (2021 - one trustee was reimbursed a total of £1,754 in relation to general operational expenses.).

No trustees have received any other benefits from the charity during the year.

## 14 Staff costs

The average monthly headcount number of employees (including senior management team) during the year was:

| | 2022 | 2021 |
|---|---|---|
| | Number | Number |
| Charitable activities | 62 | 56 |
| Fundraising and marketing | 7 | 6 |
| Total | 69 | 62 |

## 14 Staff costs

(Continued)

**Employment costs**

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 1,561,625 | 1,161,343 |
| Social security costs | 138,316 | 89,741 |
| Other pension costs | 75,798 | 57,393 |
| | 1,775,739 | 1,308,477 |

The number of employees whose annual remuneration was more than £60,000 is as follows:

| | 2022 | 2021 |
|---|---|---|
| | Number | Number |
| £70,001 - £80,000 | 1 | 1 |

The total employee benefits of the key management personnel of the charity were £246,224 (2021 - £187,132).

## 15 Net gains/(losses) on investments

| | Unrestricted funds 2022 | Unrestricted funds 2021 |
|---|---|---|
| | £ | £ |
| Revaluation of investments - unrealised gain/(loss) | (29,358) | 3,799 |
| Realised gain/(loss) on sale of investments | 2,155 | 7 |
| Net gain/ (loss) on investments | (27,203) | 3,806 |

## 16 Taxation

The charity is a registered charity and as such is entitled to certain exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objective.

17 **Tangible fixed assets**

| | Freehold land and buildings | Leasehold land and buildings | Furniture and equipment | Motor vehicles | Horses | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Cost or valuation** | | | | | | |
| At 1 December 2021 | 6,952,793 | 460,997 | 313,899 | 349,377 | - | 8,077,066 |
| Additions | 90,351 | - | 29,437 | - | 7,500 | 127,288 |
| Disposals | - | - | (115,635) | - | - | (115,635) |
| At 30 November 2022 | 7,043,144 | 460,997 | 227,701 | 349,377 | 7,500 | 8,088,719 |
| **Depreciation and impairment** | | | | | | |
| At 1 December 2021 | 2,211,339 | 287,891 | 199,277 | 326,557 | - | 3,025,064 |
| Depreciation charged in the year | 206,601 | 15,101 | 45,540 | 14,594 | 230 | 282,066 |
| Eliminated in respect of disposals | - | - | (115,635) | - | - | (115,635) |
| At 30 November 2022 | 2,417,940 | 302,992 | 129,182 | 341,151 | 230 | 3,191,495 |
| **Carrying amount** | | | | | | |
| At 30 November 2022 | 4,625,204 | 158,005 | 98,519 | 8,226 | 7,270 | 4,897,224 |
| At 30 November 2021 | 4,741,454 | 173,106 | 114,622 | 22,820 | - | 5,052,002 |

**17 Tangible fixed assets** **(Continued)**

**Revaluation of fixed assets**

The Trust occupies two freehold properties near Keswick, Cumbria named Little Crosthwaite and Old Windebrowe which were subject of a generous gift when the Trust was founded. The properties, when gifted, were subject to a restriction that should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity.

During 1989, the freehold properties were revalued by the trustees, subject to the above restriction, at the then estimated net realisable value of £990,000. The unrealised surplus on revaluation, which primarily reflects a fair value on the properties originally gifted and brought into the accounts at nil value, is included in the accounts as follows:-

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Unrealised surplus on revaluation | 353,205 | 353,205 |
| Less: Accumulated depreciation as at 30 November | (102,025) | (98,493) |
| | 251,180 | 254,712 |

The water centre has been part built on freehold land and part on leasehold land. It is not practical to attribute the build costs to each parcel of land and the costs are all included in freehold land and buildings. The lease on the leasehold is for 999 years and commenced on 29 March 2010.

Included in Land and Buildings is land at Little Crosthwaite, Under Skiddaw, Keswick (Title number CU259532). This title is subject to a charge dated 16 March 2010 by:

The Homes and Communities Agency, Renaissance House, Centre Park, Warrington, Cheshire, WA1 1XB and;

The English Sports Council, Third Floor, Victoria House, Bloomsbury Square, London, WC1B 4SE.

Also included within this Land and Buildings is land at Calvert Trust Stables, Keswick (Title Number CU264021). This is subject to a legal charge by The Charity Bank, 194 High Street, Tonbridge, Kent, TN9 1BE (Company Registration No 4330018).

Furniture and equipment are deemed to be disposed after six years.

## 18 Fixed asset investments

| | Listed investments | Unlisted investments | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| At 1 December 2021 | 469,857 | 399,865 | 869,722 |
| Additions | 410,654 | 426 | 411,080 |
| Valuation changes | (29,358) | - | (29,358) |
| Disposals | (460,267) | (400,288) | (860,555) |
| At 30 November 2022 | 390,886 | 3 | 390,889 |
| **Carrying amount** | | | |
| At 30 November 2022 | 390,886 | 3 | 390,889 |
| At 30 November 2021 | 469,857 | 399,865 | 869,722 |

Share valuation is based on the Bid price as at the close of business on the valuation date.

## 19 Financial instruments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Carrying amount of financial assets** | | |
| Instruments measured at fair value through profit or loss | 390,886 | 469,857 |

## 20 Stocks

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Stocks | 13,268 | 13,526 |

## 21 Debtors

| | 2022 | 2021 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade debtors | 79,616 | 46,818 |
| Other debtors | 409,167 | 29,945 |
| Prepayments and accrued income | 55,108 | 44,514 |
| VAT recoverable | - | 1,063 |
| | 543,891 | 122,340 |

Other debtors includes legacies receivable after the year end. Other debtors in 2021 included legacies and other funding receivable after the year end.

## 22 Loans and overdrafts

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Bank loans | 86,693 | 99,200 |
| Other loans | 300,000 | - |
| | 386,693 | 99,200 |
| Payable within one year | 20,000 | 13,333 |
| Payable after one year | 366,693 | 85,867 |
| Amounts included above which fall due after five years: | | |
| Payable other than by instalments | 300,000 | - |

The bank loan is unsecured, interest-bearing and is repayable in instalments with the final repayment due on 18 March 2027, interest is charged at 2.4%.

During the year the Charity received a loan from The Francis C Scott Charitable Trust. The loan is an unsecured, interest only arrangement to 16 June 2029, interest is charged at 2.5% above the base rate of the Bank of England.

## 23 Creditors: amounts falling due within one year

| | Notes | 2022 | 2021 |
|---|---|---|---|
| | | £ | £ |
| Bank loans | 22 | 20,000 | 13,333 |
| Other taxation and social security | | 34,721 | 38,054 |
| Deferred income | 25 | 157,802 | 186,879 |
| Trade creditors | | 108,599 | 66,093 |
| Other creditors | | 2,493 | 1,763 |
| Accruals | | 58,739 | 61,565 |
| | | 382,354 | 367,687 |

## 24 Creditors: amounts falling due after more than one year

| | Notes | 2022 | 2021 |
|---|---|---|---|
| | | £ | £ |
| Bank loans | 22 | 66,693 | 85,867 |
| Other borrowings | | 300,000 | - |
| | | 366,693 | 85,867 |

## 25 Deferred income

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Deferred income at 1 December 2021 | 186,879 | 204,286 |
| Amounts released from previous periods | (144,635) | (104,487) |
| Deferred in the period | 115,558 | 87,080 |
| Deferred income at 30 November 2022 | 157,802 | 186,879 |

Deferred income relates to customer payments made in advance and invoiced after the year end on the provision of the service or goods to the customer. This also includes income from Reconnections centre fees invoiced during the year but which relates to services provided after the year end.

## 26 Retirement benefit schemes

**Defined contribution schemes**

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £75,798 (2021 - £57,393).

Contributions totalling £10,147 (2021 - £9,903) were payable to the scheme at the end of the year and are included in creditors.

## 27 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Land and buildings** | | |
| Within one year | 2,501 | 2,501 |
| Between two and five years | 2,504 | 5,004 |
| In over five years | 33 | 34 |
| | 5,038 | 7,539 |

## 28 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds 2020-21 | | | | | Movement in funds 2021-22 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Balance at 1 December 2020 | Incoming resources | Resources expended | Transfers | Balance at 1 December 2021 | Incoming resources | Resources expended | Transfers | Balance at 30 November 2022 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Friends of Calvert Trust | - | 20,000 | - | - | 20,000 | 22,000 | - | - | 42,000 |
| Special Enabling Fund | 90,209 | 26,500 | - | (42,002) | 74,707 | 27,231 | - | (73,701) | 28,237 |
| Restricted Donations Fund | 43,705 | 228,208 | (56,067) | (113,737) | 102,109 | 6,225 | (11,411) | (51,793) | 45,130 |
| | 133,914 | 274,708 | (56,067) | (155,739) | 196,816 | 55,456 | (11,411) | (125,494) | 115,367 |

### Friends of Calvert Trust

The independent charity raises funds for purposes specified to assist The Lake District Calvert Trust. Transfers from this fund represent contributions towards qualifying expenditure which is not presented as direct expenditure, such as contributions towards capital items.

In response to the Coronavirus crisis the Friends of Calvert Trust (Lake District) de-restricted their funds during 2020 and into 2021 to provide unrestricted funds to support the Trust's ongoing costs through the COVID crisis. Following the Lake District Calvert Trust's successful emergency appeal, funds raised by the Friends of Calvert Trust (Lake District) are once again restricted to qualifying expenditure.

### Special Enabling Fund

The trustees' policy is, as far as possible, to make charges to our visitors that reflect the cost of running the centre, excluding costs of depreciation and irrecoverable VAT. The Special Enabling Fund contains funds, both donated directly and transferred from General Funds, which have been earmarked to provide limited financial assistance to visitors, both individual and groups, who would otherwise not be able to afford to visit the centre. This assistance is offered at the discretion of the Centre Director.

28 **Restricted funds** **(Continued)**

**Restricted Donations Fund**

This fund accounts for monies donated for specific expenditure. Transfers from this fund represent contributions towards qualifying expenditure which is not presented as direct expenditure, such as contributions towards capital items.

## 29 Unrestricted & Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Movement in funds 2020-21 | | | | | | Movement in funds 2021-22 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Balance at 1 December 2020 | Incoming resources | Resources expended | Transfers | Revaluations, gains and losses | Balance at 1 December 2021 | Incoming resources | Resources expended | Transfers | Revaluations, gains and losses | Balance at 30 November 2022 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Unrestricted reserve | 311,131 | 2,411,792 | (1,883,977) | (842,752) | 3,806 | - | 2,084,830 | (2,601,478) | (543,851) | 27,203 | - |
| **Designated** | | | | | | | | | | | |
| Trustees' Contingency Reserve | - | - | - | 310,944 | - | 310,944 | - | - | (61,708) | - | 249,236 |
| Fixed Asset Reserve | 4,895,040 | - | (262,261) | 164,511 | - | 4,797,290 | - | (282,066) | 130,820 | - | 4,646,044 |
| Revaluation Reserve | 258,244 | - | - | (3,532) | - | 254,712 | - | - | (3,532) | - | 251,180 |
| Development and Improvement Reserve | 13,629 | - | - | 127,371 | - | 141,000 | - | (14,390) | (84,740) | - | 41,870 |
| Calvert Lakes Winter Reserve | - | - | - | 235,304 | - | 235,304 | - | - | (235,304) | - | - |
| Calvert Reconnections Winter Reserve | - | - | - | 163,893 | - | 163,893 | - | - | (163,893) | - | - |
| | 5,166,913 | - | (262,261) | 998,491 | - | 5,903,143 | - | (296,456) | (418,357) | - | 5,188,330 |
| | 5,478,044 | 2,411,792 | (2,146,238) | 155,739 | 3,806 | 5,903,143 | 2,084,830 | (2,897,934) | 125,494 | (27,203) | 5,188,330 |

29 **Unrestricted & Designated funds** **(Continued)**

**Trustees' Contingency Reserve**

The trustees consider that reserves should be set aside to cover uninsurable contingencies such as fundraising shortfalls or losses resulting from having to close either the Calvert Lakes centre, Calvert Reconnections centre or the Calvert Stables for unforeseeable reasons. As a result of the continuing recovery from the Coronavirus crisis and the second year of developing the new Calvert Reconnections service, the Trustees' Contingency Reserve was utilised during the previous year in keeping with this purpose.

Having considered the unavoidable costs of a 6 months enforced closure of one of the Trust's centres, the appropriate value of the Trustees' Contingency Reserve is considered to be £700,000. Given the shortfall in the current value of the reserve alternative sources of funding in the form of repayable loan facilities have been put in place until the reserve can be rebuilt. It is the trustees" intention to build back the Trustees' Contingency Reserve to the required level as soon as circumstances reasonably permit.

Both the policy and the balance are reviewed annually.

**Fixed Asset Reserve and Revaluation Reserve**

The trustees have established these funds to clarify to users of the accounts the amount of reserves that are tied up in Fixed Assets and Revaluation Reserve. Transfers shown from the Fixed Assets Reserve and other funds reflect the purchases of assets now used in the general purposes of the Charity. This in turn helps clarify to users of the accounts the level of general funds.

**Development and Improvement Reserve**

This reserve has been established in order that trustees can designate funds to use for identified projects that are considered above and beyond normal operating expenditure. The reserve will normally be funded through unexpected 'windfall' income such as legacy gifts in excess of annual forecasts or unplanned operational surpluses and taken from General Funds. The identified projects requiring funding in 2023 include completing improvements to the Trust's IT infrastructure across the charity and continuing the programme of improvements to facilities and developments at Calvert Stables.

## 29 Unrestricted & Designated funds (Continued)

### Calvert Lakes Winter Reserve

This reserve was established in 2021 to accommodate reduced income in the low season at Calvert Lakes between December 2021 and March 2022 as the Trust recovered from the Coronavirus pandemic, resulting in costs in excess of income generated. The reserve was utilised during the winter of 2021/22 in keeping with this purpose. Alternative sources of income and operation are constantly being considered to reduce the low season imbalance and need for this reserve as the Trust recovers from the Coronavirus pandemic.

### Calvert Reconnections Winter Reserve

This reserve was necessary to provide working capital in the initial trading period of Calvert Reconnections when booking patterns are unknown and Coronavirus remains a negative factor resulting in expected reduced occupancy over the winter period, December 2021 to March 2022. The expectation is that this reserve will not be required for future years.

## 30 Analysis of net assets between funds

| | Unrestricted funds 2022 £ | Designated funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Unrestricted funds 2021 £ | Designated funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|---|---|---|---|---|---|---|---|---|
| Fund balances at 30 November 2022 are represented by: | | | | | | | | |
| Tangible assets | - | 4,897,224 | - | 4,897,224 | - | 5,052,002 | - | 5,052,002 |
| Investments | - | 366,786 | 24,103 | 390,889 | - | 869,722 | - | 869,722 |
| Current assets/(liabilities) | 366,693 | (75,680) | 91,264 | 382,277 | 85,867 | (18,581) | 196,816 | 264,102 |
| Long term liabilities | (366,693) | - | - | (366,693) | (85,867) | - | - | (85,867) |
| | - | 5,188,330 | 115,367 | 5,303,697 | - | 5,903,143 | 196,816 | 6,099,959 |

## 31 Related party transactions

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

**James Fryer-Spedding - Trustee**
The trust paid rent to James Fryer-Spedding, trustee amounting to £3 (2021 - £3) during the year. The rents paid are below market value. James Fryer-Spedding made donations to the charity during the year of £Nil (2021 - £2,150). At the balance sheet date the amount due to/from James Fryer-Spedding - Trustee was £Nil (2021 - £Nil).

**Claire Hensman - Trustee**
Claire Hensman made donations to the charity during the year of £100 (2021 - £1,000). At the balance sheet date the amount due to/from Claire Hensman was £Nil (2021 - £Nil).

**William Bell - Trustee**
William Bell made donations to the charity during the year of £Nil (2021 - £30). At the balance sheet date the amount due to/from William Bell was £Nil (2021 - £Nil).

**Christine Sheldon - Trustee**
Christine Sheldon made donations to the charity during the year of £2,500 (2021 - £Nil). Christine Sheldon purchased goods from the charity during the year totalling £216 (2021 - £Nil). At the balance sheet date the amount due to/from Christine Sheldon was £Nil (2021 - £Nil).

**Giles H Mounsey-Heysham - Trustee**
Giles H Mounsey-Heysham made donations to the charity during the year of £500 (2021 - £Nil). At the balance sheet date the amount due to/from Giles H Mounsey-Heysham was £Nil (2021 - £Nil).

**Martin G Mullin - Trustee**
Martin G Mullin purchased goods from the charity during the year totalling £93 (2021 - £Nil). At the balance sheet date the amount due to/from Martin G Mullin was £Nil (2021 - £Nil).

## 32 Cash generated from operations

| | Notes | 2022 £ | 2021 £ |
|---|---|---|---|
| (Deficit)/surpus for the year | | (796,262) | 488,001 |
| Adjustments for: | | | |
| Investment income recognised in statement of financial activities | 5 | (14,460) | (7,726) |
| Fair value gains and losses on investments | | 29,358 | (3,799) |
| Depreciation and impairment of tangible fixed assets | 8 | 282,066 | 262,261 |
| Movements in working capital: | | | |
| Decrease in stocks | 20 | 258 | 356 |
| (Increase) in debtors | 21 | (421,551) | (26,632) |
| Increase in creditors | 23 | 37,077 | 27,237 |
| (Decrease) in deferred income | 25 | (29,077) | (17,407) |
| **Cash (absorbed by)/generated from operations** | | (912,591) | 722,291 |

## 33 Analysis of changes in net debt

| | At 1 December 2021 | Cash flows | At 30 November 2022 |
|---|---|---|---|
| | £ | £ | £ |
| Cash at bank and in hand | 495,923 | (288,451) | 207,472 |
| Loans falling due within one year | (13,333) | (6,667) | (20,000) |
| Loans falling due after more than one year | (85,867) | (280,826) | (366,693) |
| | 396,723 | (575,944) | (179,221) |

# THE LAKE DISTRICT CALVERT TRUST

## APPENDIX 1: GRANTS AND DONATIONS RECEIVED

### *FOR THE YEAR ENDED 30 NOVEMBER 2022*

The Lake District Calvert Trust would like to express our thanks to the following organisations for their support throughout the year. It is only through their continued support along with the generous personal support from countless individuals and volunteers that enables the Trust to provide so many life changing experiences.

Allerdale Borough Council
Anabasis Mountaineering Club
Armstrong Watson
Beechwood Trust
Bramhall Runners
Brian Shaw Memorial Trust
Cartmel Racecourse
Catenian Association
Chapman Charitable Trust
Cumbria Community Foundation
D & H E W Gaunt Charitable Settlement
David Allen
Derwent Ladies NFU Club
Derwentwater Holiday Home Owners Association
Detangled Digital Ltd
Dobies Charitable Trust
Doris Field Charitable Trust
Edwin Thompson LLP
Egremont RUFC
Eleanor Rathbone Charitable Trust
Enjoy Your Leisure
Family Business Network Ltd
Freemasons, Derwentwater Lodge
Friends of Calvert Trust (Lake District)
Future Horizons Leeds
GLL (Carlisle & Allerdale Leisure Centres)
Gosforth Masonic Lodge
Greysouthen Village Hall
Harold & Alice Bridges Charity
High Hesket CE School, Primary
Hugh Fraser Foundation
ITV Ralph & Katie Ltd
John Hainsworth Bates Charitable Trust
Keswick Area Hound Trailing Association
Keswick Bridge Owners Club Ltd
Keswick Methodist Church
Lakeland 100
Lakeland Disability Support
Lakeland Trails Ltd
LGA Foundation
Lingholm Estate
Liverpool Football Club Foundation
Mansergh Community Hall
Mason Gillibrand Architects
Monday Munch Club
Mothers' Union, Holme & Burton
Mother's Union, Ings
Mothers Union, Penrith
Mothers' Union, Staveley & Kentmere
New Balance UK Ltd
Newcastle Building Society Community Foundation
Oakmere Homes
OEE Container Technology Ltd
Original Cottages
P F Charitable Trust
Paragon Veterinary Group
Pioneer Food Services
Probus, Border City
Probus, Penrith & District
Prospect Village Hall Lunch Club
Quakers, Carlisle
Quakers, Penrith
Quintessa Ltd
RBC Europe Limited
Reisser Ltd
Robert Luff Foundation Ltd
Rochdale Charitable Trust
Rotary Club of Bradford
Rotary Club of Kirkham & Rural Fylde
Rotary Club of Wigton
Sainsbury's Cockermouth
Sarasin & Partners LLP
Scaleby & District Flower Club
Scottish Midland Co-operative Society
Sellafield Ltd
Sir James Reckitt Charity
Soroptimist, Cockermouth & District
St Andrew's Church, Penrith
St Bega Charitable Trust
The Charles Godwin Foundation
The Dowager Countess Eleanor Peel Trust
The Gruesomes
The Hospital Saturday Fund
The Pastest Charitable Trust
The Pemberton-Barnes Trust
The Pom Charitable Trust
The Red Rose Charitable Trust
The Roger & Douglas Turner C. Trust
Thursday Lunch Club, Keswick
Wainwright Society
Weatherall Foundation Trust
Women's Institute, Caldbeck
Women's Institute, Cockermouth
Women's Institute, Gamblesby & District
Women's Institute, Nateby & Wharton
Women's Institute, Rosley

**THE LAKE DISTRICT CALVERT TRUST**

England & Wales - Charity number 270923

# Accounts

Charity Registration No. 270923

Company Registration No. 01240160 (England and Wales)

# THE LAKE DISTRICT CALVERT TRUST

(A COMPANY LIMITED BY GUARANTEE)

# ANNUAL REPORT AND FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 30 NOVEMBER 2021

Calvert Trust

Challenging Disability Through Outdoor Adventure

Lake District

# THE LAKE DISTRICT CALVERT TRUST

## CONTENTS


| | Page |
|---|---|
| Legal and administrative information | 1 - 3 |
| Chair's statement | 4 - 5 |
| Trustees' report | 6 - 13 |
| Statement of trustees' responsibilities | 14 |
| Independent auditor's report | 15 - 18 |
| Statement of financial activities | 19 - 20 |
| Balance sheet | 21 - 22 |
| *Statement of cash flows* | 23 |
| Notes to the financial statements | 24 - 45 |
| Appendix 1 | 46 - 47 |

# THE LAKE DISTRICT CALVERT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|---|---|---|
| **Trustees** | Giles H Mounsey-Heysham, Chair | |
| | William R Bell | |
| | Corinna Cartwright | (Resigned 4 May 2021) |
| | Julian J Handy | |
| | Claire T Hensman | |
| | Martin G Mullin | |
| | Christine Sheldon | |
| | Ian S Lowthian | |
| | William T S Braithwaite QC | |
| | Heather A Batey | |
| | James W Fryer-Spedding | |
| | Jane E Saxon | (Resigned 26 August 2021) |
| | Anthony D Glynn | |
| | Emily J Flynn | (Appointed 27 November 2021) |
| | Victoria H D Notman | (Appointed 27 November 2021) |
| | Judith Gate | (Appointed 27 November 2021) |
| | Anne L Dunn | (Appointed 27 November 2021) |
| **Secretary** | Anthony D Glynn | |
| **Other Officers** | Sean Day, Centre Director | |
| **Charity Number** | 270923 | |
| **Company Number** | 01240160 | |
| **Country of Incorporation** | England and Wales | |
| **Principal Office** | Little Crosthwaite<br>Underskiddaw<br>Keswick<br>Cumbria<br>CA12 4QD | |
| **Auditor** | David Allen<br>Chartered Accountants and Statutory Auditors<br>Dalmar House<br>Barras Lane Estate<br>Dalston<br>Carlisle<br>Cumbria<br>CA5 7NY | |

# THE LAKE DISTRICT CALVERT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|---|---|
| **Bankers** | Barclays Bank plc<br>Keswick Branch<br>Market Square<br>Keswick<br>Cumbria<br>CA12 5BE<br><br>CAF Bank<br>25 Kings Hill Avenue<br>Kings Hill<br>West Malling<br>Kent<br>ME19 4JQ |
| **Investment Advisors** | Sarasin and Partners LLP<br>Juxon House<br>100 St. Paul's Churchyard<br>London<br>EC4M 8BU |

# THE LAKE DISTRICT CALVERT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|---|---|
| **Finance Committee** | Martin G Mullin, Chair<br>Giles H Mounsey-Heysham<br>Anthony D Glynn<br>Philip Stout, Co-opted Member<br>Stuart Coe, Co-opted Member |
| **Audit Committee** | Ian S Lowthian, Chair<br>Martin G Mullin<br>Roger Cooke, Co-opted Member<br>Steve Ward, Co-opted Member |
| **Business Development Committee** | Christine Sheldon, Chair<br>Giles H Mounsey-Heysham<br>William R Bell<br>Janaki Spedding, Co-opted Member |
| **Operations Committee** | Julian J Handy, Chair<br>Giles H Mounsey-Heysham<br>Ian S Lowthian<br>Rosemary Riley, Co-opted Member |
| **Nominations Committee** | William R Bell, Chair<br>Giles H Mounsey-Heysham<br>Claire Hensman<br>James Fryer-Spedding |
| **Calvert Reconnections Committee** | William T S Braithwaite QC, Chair<br>Giles H Mounsey-Heysham<br>William R Bell<br>Christine Sheldon<br>Martin G Mullin<br>Heather A Batey<br>Fiona Nixon, Co-opted Member<br>Caroline Evans, Co-opted Member |
| **Emeritus Trustees** | John Fryer-Spedding CBE<br>Roger Cooke, Vice President<br>John Wood<br>Tony Welton<br>Terry Lansbury<br>Michael Toulmin |

# THE LAKE DISTRICT CALVERT TRUST

## CHAIR'S STATEMENT

### *FOR THE YEAR ENDED 30 NOVEMBER 2021*

Reading my statement from last year I finished by saying that "we were the best" and "we will survive". The first is undoubtedly still true and the second has been achieved. So far so good but the challenges facing us are still profound. Yes we have money in the bank thanks to the amazing generosity of our many supporters but costs continue to increase, inflation is threatening, COVID and its effects still weigh on us, there is donor fatigue, charitable giving has reduced and there is still universal uncertainty in most sectors. All that said we relish a challenge and we are looking forward to the sunny uplands of a promising spring and summer.

We started the year with a zero balance in our Trustee Contingency Reserve, Calvert Lakes and Reconnections locked down and both with little prospect of opening. Indeed it was June before we were able to reopen both centres. We end the year with significant progress in rebuilding our reserves, guests returning to Calvert Lakes in increasing numbers and a positive outlook for Reconnections.

Visitor numbers at Calvert Lakes remained subdued in 2021 because of the reticence of schools and charity visitors to commit to overnight stays. This is crucially important to us as these groups usually account for around 70% of our guests. We were helped by both individual and family bookings which returned to pre COVID-19 levels despite us only being effectively open for half of the year. It was clear that individuals were desperate to break out and engage in something approaching normality. During 2021 we hosted 1,293 children and adults with disabilities together with their families and friends (2020: 973) totalling 4,831 bed nights (2020: 3,467) at our Calvert Lakes centre for beneficiaries participating in our specialist residential programmes.

Our first three clients joined Reconnections in June and during the year we welcomed eight people as our service found its feet and began delivering the rehabilitation benefits we have been aiming for. I am heartened by the interest that Reconnections is generating in the acquired brain injury community and the incoming enquiries continue to mount.

Our financial figures reflect the year with a headline surplus of £488,001 (2020: deficit of £802,933). Underlying fee income from centre activities was £751,697 (2020: £312,293), including £256,530 arising from Calvert Reconnections (2020: £0).

Fundraising was our saviour in 2021, with unrestricted donations, gifts and legacies of £1,116,611. This includes the amazing support from Oliver's Calvert Army which is now approaching £250,000. We continue to be enormously grateful for all the support we receive which enabled us to keep our doors open. There are too many donors to mention all by name, but my thanks go to several Grant Making Trusts, groups and individuals: The Voysey family, The Friends of Calvert Trust (Lake District), The numerous Lions and Rotary clubs across the county and indeed country, The Wainwright Society, Cumbria Community Foundation and The Band Trust to name but a few.

The Coronavirus Job Retention Scheme again helped us with £268,261 in support (2020: £282,444). We were aided by a one-off business interruption insurance payment of £218,936 arising from the pandemic. We benefited from a £100,000 Coronavirus Business Interruption Loan (CBIL) during the year which further bolstered our cash reserves.

The Trustees Contingency Reserve was £310,944 at the end of 2021, with additional winter reserves for Lakes and Reconnections of £235,304 and £163,893 respectively. To have commenced rebuilding our reserves and made such progress means we stand stronger at the end of this challenging year!

We undertook significant repairs and improvements to our hydrotherapy pool during the year with amazing support from The Band Trust. This temporarily reduced the availability of the pool but these improvements have transformed what we are now able to offer our residential and community clients.

The Trust's stables continue to be a popular and much in demand service, providing accessible riding and trap driving. There were 1,680 participant sessions in a truncated year (2020: 712), with the majority from the local community and Riding for the Disabled. The stables are proving to be very popular with clients from the adjacent Reconnections service, again showing opportunities for equine therapy. Our thanks and gratitude go out to the staff and volunteers, the Stables Committee for their continued support, advice and guidance and our friends who have been looking after the horses during the lockdowns.

## CHAIR'S STATEMENT (CONTINUED)

### *FOR THE YEAR ENDED 30 NOVEMBER 2021*

We were saddened by the passing of former trustee, Susan Kellock, and of Reconnections committee member Caroline Evans, who both made a great contribution to the Trust during their time with us. Can I also record my enormous thanks to Corinna Cartwright and Jane Saxon who stood down as trustees during the year. A warm welcome to our four new trustees; Louise Dunn, Emily Flynn, Judith Gate and Victoria Notman.

So 2021 saw us taking our first steps towards recovery from the impacts of COVID-19. I am enormously grateful for the continued and unfailing support from our friends, benefactors and volunteers. Our staff were yet again amazing, despite the many challenges that were thrown at them. They came to the fore in providing moments of joy and satisfaction to our guests who so appreciate them. As with many businesses, we were impacted by the difficulties of recruitment and staff turnover (at 17%). That said, the majority with their dedication to our clients, stuck with us. Our trustees were again vital in keeping us afloat and moving forward, with many taking on operational roles! I thank you all for your fortitude, staying positive and rolling up your sleeves in such difficult times.

As we came to the end of 2021, we began to look towards our 50th anniversary in 2026 with the development of our new five-year strategic plan. This envisages the continued return to the new normal, delivery of the full promise of Reconnections as well as new services to increase our charitable support to people with disabilities. In so doing, we plan to enhance the financial resilience of our Trust.

Thank you all.

**Giles Mounsey-Heysham**

The trustees, who are also directors of the charity for the purposes of company law, present their annual report and financial statements for the year ended 30 November 2021. The annual report serves the purposes of both a Trustee's Report and a Director's Report under company law.

**Structure, Governance and Management**

The charity was incorporated on 12 January 1976 as a Company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association. The charity has dispensed with the use of the word "Limited" in its name.

The Trust's first centre at Keswick was opened in 1978. Working closely with the Trust's disabled visitors and the many organisations that visit our centres, the Trust has pioneered the provision and promotion of outdoor activities for people with disabilities.

The Board of trustees have delegated day to day management of the Trust to four standing committees - Operations, Business Development, Finance and our Calvert Reconnections Committee. Additional committees including an Audit Committee, to provide financial and risk oversight and ensure compliance responsibilities are met, and a Nominations Committee have also been established. The Board of trustees meets at least three times a year to receive reports from the Centre Director, Senior Management Team and each committee in order to ensure that all trustees are fully involved in the Trust's governance process.

From March 2020 the trustees implemented an emergency crisis management structure which included an operational Crisis Management Team, Finance 'Cobra' Committee, and Chair's Group. The Trustees delegated authority to the Chair's Group, meeting initially weekly and then fortnightly, to make the necessary decisions needed to manage the Trust through a rapidly developing national crisis. Having served their purpose the Trustees disbanded this emergency crisis structure and returned to normal management arrangements in April 2021.

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

The trustees are from a variety of relevant professional, business and charitable backgrounds with a number having experience in the disability field. The composition of the trustees' board and their experience and skills are regularly reviewed, to ensure the number and balance of trustees remains appropriate.

All directors of the company are also trustees of the charity, and there are no other trustees. All the trustees named on the Legal and Administrative Information page served throughout the year except as declared. The board has the power to appoint additional trustees as it considers fit to do so.

**Use of Volunteers**

The charity has benefitted from the help of over 60 volunteers during the financial year. The majority of these volunteers assist and support the riding activities, with other volunteers also assisting in supporting our residential Calvert Lakes courses and programmes. With the centres closed for the first half of the year as a result of the national tiered restrictions and government roadmap out of lockdown, volunteering opportunities were limited. The Trust has benefitted from volunteers supporting essential fundraising activities during this period.

**Trustees' Induction and Training**

All new trustees follow a formal trustee induction process and receive a trustee induction pack. They also complete an orientation meeting with the Centre Director, followed by a full tour and formal training on disability awareness and child protection. In person tours and orientation meetings have resumed having been postponed during the COVID-19 pandemic.

### Key Management Personnel Pay and Remuneration

The key management personnel of the charity consists of the senior management and leadership team members. The remuneration of the members is set and agreed by the Finance Committee.

### Fundraising

The charity carries out a number of fundraising activities throughout the financial year. These activities are organised through the Trust's fundraising team. The Trust adheres to the Fundraising Code of Practice and is registered with the Fundraising Regulator to ensure all fundraising activities follow best practice. The charity also uses external consultants to provide assistance when undertaking major capital appeals.

### Aims, Objectives and Public Benefit

The charity exists in order to benefit people with disabilities. It aims to enable them, together with their families and friends, to achieve their potential through experiencing the challenge of outdoor adventure in the countryside. It does so principally through the provision of specialised facilities in and near Keswick in the Lake District.

The particular benefits that the charity's activities offer to our visitors are:

- The enrichment of their lives through adventure, confidence building and personal achievement.
- The chance to enjoy countryside of exceptional natural beauty.
- The opportunity to participate in a programme that includes relaxation as well as course activity.
- The enjoyment of recreational activities that can be transferred into everyday living.
- Brain injury rehabilitation combining traditional interdisciplinary clinical therapies with physical activities in the outdoors.
- Personal development and support leading to integration.

The Trust recognises the economic disadvantage experienced by many people with disabilities. Accordingly, in suitable cases it may be able to offer direct financial support in the form of bursaries. In other instances it may be possible to guide visitors towards other sources of subsidy. The charity's philosophy is to try to ensure that no person with a disability should be deprived of the opportunity of a visit because of a lack of funds.

When exercising their powers or duties, the trustees pay due regard to the Charity Commission's public benefit guidance. In this regard, they recognise that to satisfy the 'public' aspect of the guidance, the charity's activities must:

- benefit the public in general, or a sufficient section of the public; and
- not give rise to more than incidental personal benefit where 'personal benefit' may include financial benefits (e.g. cash payments), non-financial benefits or payments in kind (e.g. benefits in the form of goods or services); or benefits to trustees. A personal benefit is considered 'incidental' where it is a necessary result or by-product of carrying out the charity's purpose.

Trustees also recognise that to satisfy the 'benefit' aspect of the guidance:

- the purpose and activities of the charity must be beneficial – this must be in a way that is identifiable and capable of being proved by evidence where necessary and which is not based on personal views; and
- any detriment or harm that results from the purpose (to people, property or the environment) must not outweigh the benefit – again, this should be based on evidence and not personal views.

**Activities**

The charity is proud to offer a wide range of exciting outdoor activities, meaningful challenge, rehabilitation and adventure within a framework of safety. It has been involved in the development of an extensive range of activities for disabled people, which now include sailing, accessible biking, canoeing, kayaking, climbing, abseiling, horse riding, carriage driving, mountaineering, hillwalking/pushing, bush craft, orienteering, challenge activities and accessible ropes courses.

The charity constantly strives to expand and improve the range of activities available to its visitors. It is pleased to be recognised as a leader in its field.

***Trustees' Indemnities***

The charity has held trustee indemnity insurance throughout the accounting period.

**Tangible Fixed Assets for Use by the Charity**

Changes in fixed assets are shown in the notes to the financial statements. The Trust occupies two freehold properties near Keswick named Little Crosthwaite and Old Windebrowe, which were the subject of a generous gift when the Trust was founded. The Trust uses these properties as the bases from which it carries out its work. The properties, when gifted, were subject to a restriction that, should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity.

The Trust also occupies an accessible boathouse on Bassenthwaite Lake, Bowderstone Cottage in Borrowdale and various grazing for our stables facility on a leasehold basis.

**Safety and Risk Management**

The Trust commissions regular health and safety audits. Audits of safety procedures have been undertaken in 2006, 2009, 2016 and 2019. All recommendations have been implemented and are monitored by the Operations Committee. A further independent health and safety audit is planned for 2022/2023. In addition, a specific report was commissioned in 2018 to review pedestrian and vehicle movements at our Little Crosthwaite centre. Recommendations to enhance safety were received and improvements were completed in 2019.

The trustees actively review the major risks which the charity faces on a regular basis and have completed and incorporated significant risks associated with the new Calvert Reconnections service.

The trustees also examine other operational and business risks faced by the charity and monitor systems to mitigate the significant risks. Risks associated with IT infrastructure and data protection were considered and infrastructure was improved to support remote working during the crisis. During 2021 the Trust was able to install a reliable 100mb internet connection to Calvert Lakes. During 2022 a similar connection is planned for Calvert Reconnections and Stables.

**Other Calvert Trusts**

The Trust is one of three Calvert Trust centres. The other two are Northumbria Calvert Trust (Charity Number 511851) and Exmoor Calvert Trust (Charity Number 1005776).

The work of the three Trusts is co-ordinated by The Council of the Calvert Trust (Charity Number 1042423) and the trustees of The Council of the Calvert Trust are the three operating Trusts.

### STRATEGIC REPORT

The following sections for achievements and performance and financial position form the strategic report of the charity.

#### Achievements and Performance

The second national lockdown followed by an extended period of national restrictions as part of the government's roadmap to reopening had been a desperately disappointing end to the previous year. 2021 started with the Trust's facilities closed, the majority of staff furloughed with salaries supported by the government's Coronavirus Job Retention Scheme (CJRS) and no expectation of being able to reopen to our beneficiaries until late into the year. Forecasting that the Charity's remaining reserves faced depletion as a result, an action plan was developed to ensure the Trust's survival. This plan focused on four key priorities: an emergency appeal, accessing grant income from the government's CJRS, progressing a business interruption insurance claim and accessing a government backed Coronavirus Business Interruption Loan (CBIL).

The Trust launched an 'Emergency Bounce Back Appeal' on 1st December 2020 that sought to raise an additional £600,000 of unrestricted funds. The appeal emphasised the Trust's ongoing losses as a result of the crisis and highlighted the £1million reduction in income experienced in 2020. The unrestricted funding raised from the appeal was to ensure that, with an expectation of continued restrictions during 2021, the Trust would have the necessary resources in place to reopen in summer 2021, continue to operate through the winter of 2021/22; and then provide the essential services needed to begin the recovery from the pandemic.

The trustees are very pleased to be able to confirm that the appeal has been an incredible success. The Trust raised unrestricted income in the year of £1,116,611 (2020: £405,041) from all sources, excluding government coronavirus grants of £316,822 (2020: £292,444). This was an increase of £711,570 over the previous year thanks to the unprecedented support of our community supporters, benefactors and beneficiaries.

The Trust made extensive use of the government's CJRS as a means of enhancing revenue whilst retaining the staff team. By making retaining the staff team a priority, the trustees were able to ensure that services could be reopened once restrictions came to an end. A budget target of £260,000 of grant support was set with the Trust able to secure £268,261 (2020: £282,444) of the government's CJRS grant funding. A further £48,561 (2020: £10,000) of other coronavirus related grants was received.

Having lodged a business interruption claim as a result of the coronavirus crisis with our insurers during 2020, the Trust continued to progress the claim. Although High Court cases had started to set precedents for COVID-19 claims, there was no expectation of a successful claim being made. The trustees are pleased to be able to confirm a claim was approved and income of £218,936 was received from our insurers.

As a final contingency, the trustees progressed an application for a £100,000 government backed CBIL loan from our bank, Barclays. This was secured in March 2021 with the government paying all fees and interest for the first 12 months as well as a 12 month repayment holiday being offered.

Following the success of improving the cash position the Trust secured the unrestricted reserves necessary to reopen services for our beneficiaries and to ensure that the Trust was able to operate through the winter of 2021/22. This is a tremendous result and would not have been possible without the support of the Trust's many benefactors, the commitment of our staff team and the dedication of our trustees and volunteers.

Calvert Lakes

Our Calvert Lakes centre remained closed from the start of the second lockdown on 5th November 2020 through to June 2021. This was a challenging time for staff, the majority of whom were on furlough leave, with only essential staff retained in order to maintain the centre, communicate with our beneficiaries, run our fundraising appeal and then plan for reopening.

As we planned for the centre reopening in June, the trustees took the decision to complete a range of essential repairs that could not be completed in normal times when the centre is occupied. This included high level repair work to our farmhouse, redecoration work and essential repairs to our hydrotherapy pool which was emptied for the first time since it was opened in 2010. We were able to both complete repairs as well as undertake an extensive redevelopment, supported by a generous donation from The Band Trust. Utilising the donation the Trust was able to to modernise and introduce new innovative sensory pool features; bring advanced hydrotherapy facilities, including an underwater treadmill; and refurbish changing room facilities throughout. This will support new rehabilitation services both for our Reconnections clients as well as the local Cumbrian community. Completing the works during 2021 restricted use of the hydrotherapy pool to residential beneficiaries only. As we come out of the COVID-19 crisis the pool will once again be made available to our community users in early 2022, with priority being placed on disabled users.

With the successful reopening of Calvert Lakes in June 2021, the Trust was able to support 1,293 individuals (2020: 973) staying for a total of 4,831 bed nights (2020: 3,467). The year saw an increased demand from families with disabled members, many of whom had increased vulnerability to COVID-19. The Trust therefore adopted robust COVID-19 control measures including further use of an on-site self-contained apartment, Woodlands, made available as part of our COVID-19 response and which has proved very popular and beneficial to vulnerable seeking respite. This provided a further 323 bed nights (2020: 147) for our most vulnerable beneficiaries.

Calvert Reconnections

Our new and unique Calvert Reconnections neuro-rehabilitation service was due to open to clients in April 2020. As a result of the COVID-19 crisis, the decision was made to postpone the opening until such time as it was deemed clinically safe to do so. This was a difficult decision but ultimately the safety of staff and beneficiaries took priority and clinical advice was followed. The Trust then had a challenging period of managing through an uncertain crisis while continuing to promote the new service to the brain injured community and professional commissioning services. During this period we also had to contend with key staff departures, many of whom returned to the NHS to support the crisis response. This was an extremely challenging time for the Trust and we thank all those involved.

With the advent of the successful vaccine rollout and subsequent government roadmap, the Trust was finally able to safely open the new service in June 2021. Our first three clients joined on 23rd June and during the year we welcomed eight people as our service found its feet and began to deliver rehabilitation benefits. Initial clinical monitoring is demonstrating that the new service is achieving very positive outcomes for beneficiaries. The Trust will be promoting these clinical outcomes over the coming year and using initial feedback to improve and develop the service further.

Although the majority of clients coming through the Reconnections service do not require personal care, the Trust secured initial CQC registration on 30th June 2021. This is to enable clients who do require some element of personal care to access the service. We expect to receive our first inspection during 2022.

Calvert Stables

Like our other services, Calvert Stables started the year closed and with the majority of staff on furlough leave, supported by the governments Coronavirus Job Retention Scheme. The Trust was not able to furlough all staff as our ponies required care throughout all of the national lockdowns and closures. This has limited the use of the furlough scheme and been an additional cost for the Trust to accommodate for the duration of the crisis.

With the government's roadmap to reopening in place, our Stables reopened to beneficiaries on 1st June 2021. Initially this was restricted to our more able community riders in order to accommodate COVID-19 secure measures and the need to re-school our ponies after the extended break from activities. The service provision was then extended as the year went on and it was possible to reopen services more fully. This was in spite of both staffing and pony vacancies, accrued during the previous 18 months and which proved challenging to fill. The remaining stables team worked hard along with our ever essential team of stables volunteers to reopen and deliver services to the community, Calvert Lakes groups and Calvert Reconnections clients.

As Calvert Reconnections clients joined the service the stables were able to provide a range of activities to support the unique clinical rehabilitation being so successfully delivered. In addition to riding and trap driving activities, horse care proved to be a very beneficial activity with several participants benefitting greatly from regular vocational activity alongside our stables team. This culminated in a number of clients continuing to work with the stables following their discharge from our service and a return to their home environment.

**Plans for Future Periods**

As we approached 2022 the Trust once again looked to the future and began the development of a new 5-year strategic plan. This included a period of extensive consultation with stakeholders including our beneficiaries, staff, trustees, volunteers and funders. The Trust also commissioned various research using external consultants as well as undertaking a comprehensive review of our beneficiary feedback from the last 3 years. This provided the Trust with a considerable body of evidence to develop our strategy for the next 5-year period and whilst there remains an element of uncertainty with the external environment there is a high level of confidence in the overarching themes of the strategy.

We remain confident that our vision, "People with disabilities sharing in life's opportunities", is fit for purpose, matches our charitable purpose, continues to meet the needs of our beneficiaries and will continue to support and guide our decision making looking forwards.

As we come out of the COVID-19 crisis there will be a need to consolidate our existing services. Our Calvert Lakes and Calvert Stables services will need to return to sustainable delivery of services to our beneficiaries. This may require some reshaping of services and facilities to meet the needs of a 'new normal' as we all learn to live with COVID-19; continuing improvement of facilities for those with more complex needs; and the development of additional offerings to extend the season and increase usage by our beneficiaries.

The Trust will continue to build the new Calvert Reconnections service to achieve the original business plan and create an outstanding service for beneficiaries. We will also work with communities and groups supporting people with varying disabilities to research and test opportunities to enhance delivery of our Charitable Objects whilst providing improved financial resilience.

Finally, there will be an ongoing focus on ensuring the Trust has strong foundations that enable achievement of our objectives.

- **People:** We will develop a great place to work strategy, recognising that our staff bring the Charity to life
- **Diversity:** we will better engage with all communities than we do today
- **Sustainability:** we will build a program to minimise our environmental impact driving to 'net zero'
- **Digital:** we will leverage IT to enhance our visitor and staff experience and better engage clients and potential new ones

Work is already underway and the new strategic plan will be launched during 2022.

### Transactions and Financial Position

The financial statements show a net surplus of £488,001 for the year after depreciation and unallocated irrecoverable VAT (2020 deficit: £802,933). This surplus was after a depreciation charge of £262,261 (2020: £212,719). Unrestricted gifts, donations and grants totalled £1,433,433 (2020: £697,485).

Prior to the crisis the trustees put in place a flexible £200,000 loan facility with Charity Bank (part of Charities Aid Foundation). This facility was never drawn and the Trustees closed the facility in November 2021.

In March 2021 an unsecured Barclays CBIL facility for £100,000 was secured to provide additional contingency funds. These loan facilities provide the Trust with essential emergency funds until reserves can be fully rebuilt.

### Financial Outlook 2022 to 2023

The trustees believe the Trust has managed its financial operations prudently during 2021 and, although challenged, the Trust remains in a healthy position. The cash flow model the Trust developed has served well and has accurately predicted the position on cash and reserves over the period March 2020 until now (March 2022). The forward-looking position remains encouraging with the Trust's finances stabilizing during 2022 and the replenishment of reserves in 2023. A robust sensitivity analysis suggests upsides to the forecast are possible and downsides are unlikely. Should the downsides materialise the Trust has put in place the financial means to trade through the difficulties.

Our message continues to be positive and we remain committed to our beneficiaries. Through a combination of prudent financial management and the unfailing support of the community and our supporters, we are confident we will be able to continue to deliver life changing experiences for people with disabilities for many years.

### Reserves

The Trust's total reserves increased to £6,099,959 at the year-end (2020: £5,611,958). These total reserves being made up of general unrestricted funds of £nil (2020: £311,131), designated funds of £5,903,143 (2020: £5,166,913) and restricted funds of £196,816 (2020: £133.914). These designated funds include £5,052,002 (2020: £5,153,284) of tangible fixed assets representing land, buildings, equipment and vehicles. The Trust's free reserves, i.e. reserves that in practice may be allocated at the trustees' discretion, were £710,141 (2020: £311,131). This has enabled the Trustees Contingency Fund to be re-established as a designated fund and following a review of reserve requirements two new winter reserves have been established. The ambition of the trustees is to rebuild reserves over the next few years in order to ensure 6-month's cover in the event of future uninsurable contingencies.

The trustees believe that the Trust's current reserves provide sufficient resources to manage the impact of seasonal reductions in income and cashflow during the winter period. The Trustees Contingency Fund is then expected to provide cover in the event of unexpected contingencies of up to 4 months adverse conditions in normal trading periods. This is a reduction from the previous position of 6 months reserves in normal trading conditions. The trustees have put in place alternative sources of finance, including the £100,000 Barclays CBIL loan, to provide additional funds until the reserves can be rebuilt.

### Investment Policy and Returns

The Trust's investments are held in a charitable investment fund managed by Sarasin & Partners LLP. The investments are overseen by the Finance Committee who receive reports and meet regularly with Sarasin & Partners. The trustees' policy at this time is to reinvest returns in order to protect and grow the capital value of the funds.

Having liquidated the Trust's investment in March 2020, in order to de-risk and protect the balance, in May 2021 the Trust was able to reinvest part of the Trust's funds. The balance remains with Sarasin & Partner LLP and is held in a Sterling liquidity 'money market' fund.

### FINANCIAL INSTRUMENTS

**Objectives and Policies**

The charity's activities expose it to a number of financial risks including credit risk and cash flow risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees.

**Cash Flow Risk**

The charity's activities expose it primarily to the financial risks of interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

As part of its crisis management arrangements the trustees have introduced monthly cash flow forecasts which extend until November 2022. These enable the Trust to rapidly model different financial scenarios in the quickly changing crisis and to sensitivity test key assumptions. Further high level annual forecasts have been produced which extend to 2026.

**Credit Risk**

The charity's principal financial assets are bank balances and cash, trade and other receivables and investments. The trustees have considered the risks that affect the day to day operations and have implemented procedures that are appropriate to the size of the Charity.

**Statement of Disclosure of Information to Auditors**

The trustees of the charity who held office at the date of approval of this annual report confirm that –

- so far as they are aware, there is no relevant audit information or other information needed by the charity's auditors in connection with preparing their report, of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

David Allen Chartered Accountants were appointed as the Trust auditors for the period commencing 1st December 2017 and remain in place. Gibbons Chartered Accountants were retained as the Trust's accountants.

David Allen Chartered Accountants, have signified their willingness to remain in office as auditors and a resolution re-appointing them will be proposed at the Annual General Meeting.

The trustees' report, including the strategic report, was approved by the Board of Trustees and signed on its behalf by:

Giles H Mounsey-Heysham
**Trustee**

Martin G Mullin
**Trustee**

29 April 2022

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

## *FOR THE YEAR ENDED 30 NOVEMBER 2021*

The trustees, who are also the directors of The Lake District Calvert Trust for the purposes of company law, are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, 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;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the Board of Trustees and signed on its behalf by:

Giles H Mounsey-Heysham
**Trustee**

Martin G Mullin
**Trustee**

29 April 2022

# THE LAKE DISTRICT CALVERT TRUST

## INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST

### Opinion

We have audited the financial statements of The Lake District Calvert Trust (the 'charitable company') for the year ended 30 November 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 November 2021 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 Companies Act 2006.

### 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 charitable company 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

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

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

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

### Other information

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

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

We have nothing to report in this regard.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)
## TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Chair's Statement and trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair's Statement and the trustees' report, which includes the directors' report and the strategic report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair's Statement and Trustees' Report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out on page 14, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and Management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to the applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and Management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

We are not responsible for detecting fraud and preventing non-compliance and cannot be expected to detect all fraud and non-compliance with all laws and regulations. The primary responsibility for the prevention and detection of irregularities including fraud rests with both the Trustees and Management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable companny to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Alison Welton (Senior Statutory Auditor)**
**For and on behalf of David Allen, Chartered Accountants and Statutory Auditor**

Dalmar House
Barras Lane Estate
Dalston
Carlisle
Cumbria
CA5 7NY

29 April 2022

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

### *FOR THE YEAR ENDED 30 NOVEMBER 2021*

**Current financial year**

| | Notes | Unrestricted funds 2021 £ | Designated funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Total 2020 £ |
|---|---|---|---|---|---|---|
| **Income and Endowments** | | | | | | |
| Donations and legacies | 3 | 1,433,433 | - | 274,708 | 1,708,141 | 814,786 |
| Charitable activities | 4 | 751,697 | - | - | 751,697 | 312,293 |
| Investment income | 5 | 7,726 | - | - | 7,726 | 7,905 |
| Other income | 6 | 218,936 | - | - | 218,936 | - |
| **Total income** | | 2,411,792 | - | 274,708 | 2,686,500 | 1,134,984 |
| **Expenditure on:** | | | | | | |
| Raising funds | 7 | 104,969 | - | - | 104,969 | 92,964 |
| Charitable activities | 8 | 1,779,008 | 262,261 | 56,067 | 2,097,336 | 1,778,419 |
| **Total expenditure** | | 1,883,977 | 262,261 | 56,067 | 2,202,305 | 1,871,383 |
| Gains/(losses) on investment assets | 15 | 3,806 | - | - | 3,806 | (66,534) |
| **Net income/(expenditure) before transfers** | | 531,621 | (262,261) | 218,641 | 488,001 | (802,933) |
| Gross transfers between funds | | (842,752) | 998,491 | (155,739) | - | - |
| **Net income/(expenditure)** | | (311,131) | 736,230 | 62,902 | 488,001 | (802,933) |
| Fund balances at 1 December 2020 | | 311,131 | 5,166,913 | 133,914 | 5,611,958 | 6,414,891 |
| **Fund balances at 30 November 2021** | 28 - 29 | - | 5,903,143 | 196,816 | 6,099,959 | 5,611,958 |

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

### *FOR THE YEAR ENDED 30 NOVEMBER 2021*

**Prior financial year**

| | Notes | Unrestricted funds 2020 £ | Designated funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ |
|---|---|---|---|---|---|
| **Income and Endowments** | | | | | |
| Donations and legacies | 3 | 697,485 | - | 117,301 | 814,786 |
| Charitable activities | 4 | 312,293 | - | - | 312,293 |
| Investment income | 5 | 7,905 | - | - | 7,905 |
| **Total income** | | 1,017,683 | - | 117,301 | 1,134,984 |
| **Expenditure on:** | | | | | |
| Raising funds | 7 | 92,964 | - | - | 92,964 |
| *Charitable activities* | 8 | 1,543,991 | 223,380 | 11,048 | 1,778,419 |
| **Total expenditure** | | 1,636,955 | 223,380 | 11,048 | 1,871,383 |
| Gains/(losses) on investment assets | 15 | (66,534) | - | - | (66,534) |
| **Net income/(expenditure) before transfers** | | (685,806) | (223,380) | 106,253 | (802,933) |
| Gross transfers between funds | | 904,056 | (461,810) | (442,246) | - |
| **Net income/(expenditure)** | | 218,250 | (685,190) | (335,993) | (802,933) |
| Fund balances at 1 December 2019 | | 92,881 | 5,852,103 | 469,907 | 6,414,891 |
| **Fund balances at 30 November 2020** | 28 - 29 | 311,131 | 5,166,913 | 133,914 | 5,611,958 |

# THE LAKE DISTRICT CALVERT TRUST

## BALANCE SHEET

### *AS AT 30 NOVEMBER 2021*

| | Notes | 2021 £ | 2021 £ | 2020 £ | 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **17** | | 5,052,002 | | 5,153,284 |
| Investments | **18** | | 869,722 | | 461,165 |
| | | | 5,921,724 | | 5,614,449 |
| **Current assets** | | | | | |
| Stocks | **20** | 13,526 | | 13,882 | |
| Debtors | **21** | 122,340 | | 95,708 | |
| Cash at bank and in hand | | 495,923 | | 232,443 | |
| | | 631,789 | | 342,033 | |
| **Creditors: amounts falling due within one year** | **23** | (367,687) | | (344,524) | |
| Net current assets/(liabilities) | | | 264,102 | | (2,491) |
| **Total assets less current liabilities** | | | 6,185,826 | | 5,611,958 |
| **Creditors: amounts falling due after more than one year** | **24** | | (85,867) | | - |
| **Net assets** | | | 6,099,959 | | 5,611,958 |
| **Funds of the charity:** | | | | | |
| **Income funds** | | | | | |
| Restricted funds | **28** | | 196,816 | | 133,914 |
| Unrestricted funds | | | | | |
| Revaluation reserve | **29** | | 254,712 | | 258,244 |
| Designated funds | **29** | | 5,648,431 | | 4,908,669 |
| General unrestricted funds | | | - | | 311,131 |
| | | | 6,099,959 | | 5,611,958 |

# THE LAKE DISTRICT CALVERT TRUST

## BALANCE SHEET (CONTINUED)

### *AS AT 30 NOVEMBER 2021*

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 29 April 2022

Giles H Mounsey-Heysham
**Trustee**

Martin G Mullin
**Trustee**

**Company Registration No. 01240160**

# THE LAKE DISTRICT CALVERT TRUST

## STATEMENT OF CASH FLOWS

### *FOR THE YEAR ENDED 30 NOVEMBER 2021*

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash generated from/(absorbed by) operations | **31** | | 722,291 | | (241,300) |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | **17** | (160,979) | | (134,535) | |
| Purchase of investments | **18** | (806,188) | | (566,458) | |
| Proceeds on disposal of investments | **18** | 401,430 | | 728,278 | |
| Investment income received | **5** | 7,726 | | 7,905 | |
| **Net cash (used in)/generated from investing activities** | | | (558,011) | | 35,190 |
| **Financing activities** | | | | | |
| Proceeds/(repayment) of bank loans | **22** | 99,200 | | - | |
| **Net cash generated from/(used in) financing activities** | | | 99,200 | | - |
| **Net increase/(decrease) in cash and cash equivalents** | | | 263,480 | | (206,110) |
| Cash and cash equivalents at beginning of year | | | 232,443 | | 438,553 |
| **Cash and cash equivalents at end of year** | | | 495,923 | | 232,443 |

### 1 Accounting policies

**Charity information**

The Lake District Calvert Trust is a charitable company limited by guarantee incorporated in England and Wales and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The registered office is Little Crosthwaite, Underskiddaw, Keswick, Cumbria, CA12 4QD.

The Trust operates from three main centres:

| | | |
|---|---|---|
| Calvert Lakes | Calvert Reconnections | Calvert Stables |
| Little Crosthwaite | Old Windebrowe | Old Windebrowe |
| Keswick | Keswick | Keswick |
| Cumbria | Cumbria | Cumbria |
| CA12 4QD | CA12 4NT | CA12 4NT |

**Summary of significant accounting policies and key accounting estimates**

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

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.2 Going concern

As the country adjusted to living with coronavirus in 2021 the Trust was able to get both Calvert Lakes and Calvert Reconnections operating. There was an inevitable impact on trading and Calvert Reconnections was noticeably impacted although all signs suggest this was a delay in clients attending with interest and awareness of Calvert Reconnections in the brain injury community surpassing expectations.

Fundraising was particularly successful and at the close of trading in 2021 the process of rebuilding the contingency reserve was underway with clear funds available to trade through the low season. Forecasts for a 5-year horizon have been produced and the trustees are confident that the Trust is in a strong position to succeed and produce a trading surplus in the near term.

Financial modelling with extensive examination of the downsides and upsides has been carried out and it was agreed after the year end to accept an offer of a repayable £300k long term social investment from the Francis C Scott Charitable Trust to ensure resilience in the case of further uncertainty from pandemics in future years. As a result, we are confident that the Trust is in a strong financial position and can continue to operate on a going concern basis for the next 12 months.

**1 Accounting policies** **(Continued)**

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.4 Income**

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

Government grants are recognised and measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Income from charitable activities is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Income is shown net of sales/value added tax, returns, rebates and discounts.

Income from other events is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established.

**1 Accounting policies** **(Continued)**

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of raising funds are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating staff costs by the time spent and other costs by their usage.

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

The Charity is very fortunate in receiving substantial amounts of voluntary unpaid help however this cannot be quantified and is therefore not included in the financial statements.

**1.6 Tangible fixed assets**

Tangible fixed assets costing £1,000 or more are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Assets under construction are accounted for at cost and are not depreciated until the accounting period in which they are brought into use.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Freehold property (buildings) | Over the remaining life of the building |
| Freehold property (installations) | 5-10% per annum straight line basis |
| Leasehold property (buildings) | Over the period of each lease |
| Leasehold property (installlations) | 10-20% per annum straight line basis |
| Furniture and equipment | 20% per annum straight line basis |
| Motor vehicles | 20% per annum straight line basis |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**1 Accounting policies** **(Continued)**

**1.7 Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

**1.8 Impairment of fixed assets**

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.9 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1 Accounting policies** **(Continued)**

**1.11 Financial instruments**

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charitable company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charitable company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charitable company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Fixed asset investments are recognised and measured in accordance with the accounting policy.

Debt instruments are subsequently measured at amortised cost.

The charity does not enter into or acquire derivatives or other complex financial instruments.

**1.12 Taxation**

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

**1.13 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due in accordance with the rules of the scheme.

**1.15 Horses**

The charily owns a number of horses held for the use of customers. The acquisition cost and sale proceeds of transactions in these horses are charged or credited to the statement of financial activities in the relevant year.

**1 Accounting policies** **(Continued)**

**1.16 Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

**1.17 Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**1.18 Deferred income**

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement; or
- Payments are received in advance of the service or goods being provided.

**2 Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## 3 Donations and legacies

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Total 2020 £ |
|---|---|---|---|---|
| Donations and gifts | 965,935 | 274,708 | 1,240,643 | 488,639 |
| Legacies receivable | 100,000 | - | 100,000 | 6,000 |
| Government grants | 316,822 | - | 316,822 | 292,444 |
| Regular giving and capital donations | 50,676 | - | 50,676 | 27,703 |
| | 1,433,433 | 274,708 | 1,708,141 | 814,786 |

*The above government grants includes income of £268,261 (2020 - £282,444) received by the charitable* company within the year from the government's Coronavirus Job Retention Scheme and £48,561 (2020 - £10,000) of other coronavirus related grants.

## 4 Charitable activities

| | Unrestricted funds 2021 £ | Unrestricted funds 2020 £ |
|---|---|---|
| Calvert Lakes fee income | 495,167 | 312,293 |
| Calvert Reconnections fee income | 256,530 | - |
| | 751,697 | 312,293 |

## 5 Investment income

| | Unrestricted funds 2021 £ | Unrestricted funds 2020 £ |
|---|---|---|
| Dividends receivable from listed investments | 6,701 | 6,754 |
| Interest receivable | 1,025 | 1,151 |
| | 7,726 | 7,905 |

## 6 Other income

| | Unrestricted funds 2021 £ | Total 2020 £ |
|---|---|---|
| Business interruption insurance payout | 218,936 | - |

## 7 Raising funds

| | Unrestricted funds 2021 £ | Unrestricted funds 2020 £ |
|---|---|---|
| Costs of generating donations and legacies | | |
| Fundraising costs | 21,879 | 8,381 |
| Staff costs | 81,071 | 83,184 |
| Costs of generating donations and legacies | 102,950 | 91,565 |
| Investment management | 2,019 | 1,399 |
| | 104,969 | 92,964 |

8 **Charitable activities**

| | Centre Activities 2021 | Marketing Costs 2021 | Total 2021 | Total 2020 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs | 1,155,583 | 71,823 | 1,227,406 | 1,083,138 |
| Depreciation | 262,261 | - | 262,261 | 212,719 |
| Temporary workers | 52,299 | - | 52,299 | 1,861 |
| Staff training | 30,613 | - | 30,613 | 31,232 |
| Activity costs | 36,341 | - | 36,341 | 30,182 |
| Riding costs | 24,752 | - | 24,752 | 16,615 |
| Centre administration and insurance | 85,269 | - | 85,269 | 45,689 |
| Facility costs | 257,585 | - | 257,585 | 241,614 |
| Other operational costs | 41,156 | 11,868 | 53,024 | 66,708 |
| Unallocated irrecoverable VAT | 50,343 | - | 50,343 | 34,699 |
| | 1,996,202 | 83,691 | 2,079,893 | 1,764,457 |
| Share of governance costs (see note 10) | 17,443 | - | 17,443 | 13,962 |
| | 2,013,645 | 83,691 | 2,097,336 | 1,778,419 |
| **Analysis by fund** | | | | |
| Unrestricted funds | 1,695,317 | 83,691 | 1,779,008 | 1,543,991 |
| Designated funds | 262,261 | - | 262,261 | 223,380 |
| Restricted funds | 56,067 | - | 56,067 | 11,048 |
| | 2,013,645 | 83,691 | 2,097,336 | 1,778,419 |

9 **Support costs allocated to charitable activities**

| | Finance costs | Staff costs | Administration costs | Premises costs | Other support costs | Total 2021 | Total 2020 |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| Centre activity fees | 3,786 | 67,782 | 15,303 | 119,458 | 84,193 | 290,522 | 263,056 |
| Marketing costs | - | 71,823 | - | - | 11,868 | 83,691 | 124,500 |
| | 3,786 | 139,605 | 15,303 | 119,458 | 96,061 | 374,213 | 387,556 |

## 10 Governance costs

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Audit fees | 5,600 | 3,500 |
| Management accountants fees | 11,843 | 10,462 |
| | 17,443 | 13,962 |

## 11 Net movement in funds

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Net movement in funds is stated after charging/(crediting) | | |
| Audit fees | 5,600 | 3,500 |
| Management accountants fees | 11,843 | 10,462 |
| Depreciation of owned tangible fixed assets | 262,261 | 212,719 |

## 12 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

| **Fees payable to the charitable company's auditor:** | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Audit of the charitable company's financial statements | 5,600 | 3,500 |
| **Other fees to management accountants** | | |
| All other non-audit services - management accountants | 11,843 | 10,462 |

## 13 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but one trustee was reimbursed a total of £1,754 in relation to general operational expenses. (2020 - £5,104 in relation to the fit out costs of "phase 3" of the development of the Reconnections building).

No trustees have received any other benefits from the charity during the year.

## 14 Staff costs

The average monthly headcount number of employees (including senior management team) during the year was:

| | 2021 Number | 2020 Number |
|---|---|---|
| Charitable activities | 56 | 54 |
| Fundraising and marketing | 6 | 7 |
| Total | 62 | 61 |

| Employment costs | 2021 £ | 2020 £ |
|---|---|---|
| Wages and salaries | 1,161,343 | 1,039,045 |
| Social security costs | 89,741 | 76,061 |
| Other pension costs | 57,393 | 51,216 |
| | 1,308,477 | 1,166,322 |

The number of employees whose annual remuneration was more than £60,000 is as follows:

| | 2021 Number | 2020 Number |
|---|---|---|
| £70,001 - £80,000 | 1 | 1 |

The total employee benefits of the key management personnel of the charity were £187,132 (2020 - £351,003)

## 15 Net gains/(losses) on investments

| | Unrestricted funds 2021 £ | Unrestricted funds 2020 £ |
|---|---|---|
| Revaluation of investments - unrealised | 3,799 | 331 |
| Realised gain/(loss) on sale of investments | 7 | (66,865) |
| Net gain/ (loss) on investments | 3,806 | (66,534) |

## 16 Taxation

The charity is a registered charity and as such is entitled to certain exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objective.

## 17 Tangible fixed assets

| | Freehold land and buildings | Leasehold land and buildings | Furniture and equipment | Motor vehicles | Total |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Cost or valuation** | | | | | |
| At 1 December 2020 | 6,901,521 | 453,824 | 218,618 | 349,377 | 7,923,340 |
| Additions | 51,272 | 7,173 | 102,534 | - | 160,979 |
| Disposals | - | - | (7,253) | - | (7,253) |
| At 30 November 2021 | 6,952,793 | 460,997 | 313,899 | 349,377 | 8,077,066 |
| **Depreciation and impairment** | | | | | |
| At 1 December 2020 | 2,067,942 | 265,939 | 143,750 | 292,425 | 2,770,056 |
| Depreciation charged in the year | 143,397 | 21,952 | 62,780 | 34,132 | 262,261 |
| Eliminated in respect of disposals | - | - | (7,253) | - | (7,253) |
| At 30 November 2021 | 2,211,339 | 287,891 | 199,277 | 326,557 | 3,025,064 |
| **Carrying amount** | | | | | |
| At 30 November 2021 | 4,741,454 | 173,106 | 114,622 | 22,820 | 5,052,002 |
| At 30 November 2020 | 4,833,579 | 187,885 | 74,868 | 56,952 | 5,153,284 |

**Revaluation of fixed assets**

The Trust occupies two freehold properties near Keswick, Cumbria named Little Crosthwaite and Old Windebrowe which were subject of a generous gift when the Trust was founded. The properties, when gifted, were subject to a restriction that should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity.

During 1989, the freehold properties were revalued by the trustees, subject to the above restriction, at the then estimated net realisable value of £990,000. The unrealised surplus on revaluation, which primarily reflects a fair value on the properties originally gifted and brought into the accounts at nil value, is included in the accounts as follows:-

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Unrealised surplus on revaluation | 353,205 | 353,205 |
| Less: Accumulated depreciation as at 30 November | (98,493) | (94,961) |
| | 254,712 | 258,244 |

**17 Tangible fixed assets** **(Continued)**

The water centre has been part built on freehold land and part on leasehold land. It is not practical to attribute the build costs to each parcel of land and the costs are all included in freehold land and buildings. The lease on the leasehold is for 999 years and commenced on 29 March 2010.

Included in Land and Buildings is land at Little Crosthwaite, Under Skiddaw, Keswick (Title number CU259532). This title is subject to a charge dated 16 March 2010 by:

The Homes and Communities Agency, Renaissance House, Centre Park, Warrington, Cheshire, WA1 1XB and;

The English Sports Council, Third Floor, Victoria House, Bloomsbury Square, London, WC1B 4SE.

Also included within this Land and Buildings is land at Calvert Trust Stables, Keswick (Title Number CU264021). This is subject to a legal charge by The Charity Bank, 194 High Street, Tonbridge, Kent, TN9 1BE (Company Registration No 4330018).

Furniture and equipment are deemed to be disposed after six years.

**18 Fixed asset investments**

| | Listed investments | Unlisted investments | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| At 1 December 2020 | 461,164 | 1 | 461,165 |
| Additions | 405,503 | 400,685 | 806,188 |
| Valuation changes | 3,799 | - | 3,799 |
| Disposals | (400,609) | (821) | (401,430) |
| At 30 November 2021 | 469,857 | 399,865 | 869,722 |
| **Carrying amount** | | | |
| At 30 November 2021 | 469,857 | 399,865 | 869,722 |
| At 30 November 2020 | 461,164 | 1 | 461,165 |

Share valuation is based on the Bid price as at the close of business on the valuation date.

| **19 Financial instruments** | **2021** | **2020** |
|---|---|---|
| | £ | £ |
| **Carrying amount of financial assets** | | |
| Instruments measured at fair value through profit or loss | 469,857 | 461,164 |

## 20 Stocks

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Stocks | 13,526 | 13,882 |

## 21 Debtors

| | 2021 | 2020 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade debtors | 46,818 | 9,689 |
| Other debtors | 29,945 | 73,405 |
| Prepayments and accrued income | 44,514 | 11,165 |
| VAT recoverable | 1,063 | 1,449 |
| | 122,340 | 95,708 |

Other debtors includes legacies and other funding receivable after the year end.

## 22 Loans and overdrafts

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Bank loans | 99,200 | - |
| Payable within one year | 13,333 | - |
| Payable after one year | 85,867 | - |

*During the year the Charity received a bank loan from Barclays Bank PLC under the Coronavirus Business* Interruption Loan Scheme. The bank loan is unsecured, interest-bearing and is repayable in instalments with the final repayment due on 18 March 2027.

## 23 Creditors: amounts falling due within one year

| | Notes | 2021 | 2020 |
|---|---|---|---|
| | | £ | £ |
| Bank loans | 22 | 13,333 | - |
| Other taxation and social security | | 38,054 | 14,929 |
| Deferred income | 25 | 186,879 | 204,286 |
| Trade creditors | | 66,093 | 39,447 |
| Other creditors | | 1,763 | 3,236 |
| Accruals | | 61,565 | 82,626 |
| | | 367,687 | 344,524 |

## 24 Creditors: amounts falling due after more than one year

| | Notes | 2021 £ | 2020 £ |
|---|---|---|---|
| Bank loans | 22 | 85,867 | - |

## 25 Deferred income

| | 2021 £ | 2020 £ |
|---|---|---|
| Deferred income at 1 December 2020 | 204,286 | 60,646 |
| Amounts released from previous periods | (104,487) | (24,865) |
| Resources deferred in the period | 87,080 | 168,505 |
| Deferred income at 30 November 2021 | 186,879 | 204,286 |

Deferred income relates to customer payments made in advance and invoiced after the year end on the provision of the service or goods to the customer and Reconnections centre fees income invoiced during the year but which relates to services provided after the year end.

## 26 Retirement benefit schemes

**Defined contribution schemes**

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £57,393 (2020 - £51,216).

Contributions totalling £9,903 (2020 - £6,105) were payable to the scheme at the end of the year and are included in creditors.

## 27 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2021 £ | 2020 £ |
|---|---|---|
| **Land and buildings** | | |
| Within one year | 2,501 | 2,501 |
| Between two and five years | 5,004 | 7,504 |
| In over five years | 34 | 35 |
| | 7,539 | 10,040 |

### 28 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | | Movement in funds | | | | Movement in funds | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Balance at 1 December 2019 | Incoming resources | Resources expended | Transfers | Balance at 1 December 2020 | Incoming resources | Resources expended | Transfers | Balance at 30 November 2021 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Friends of Calvert Trust | 36,235 | 21,071 | (3,947) | (53,359) | - | 20,000 | - | - | 20,000 |
| Special Enabling Fund | 62,495 | 44,228 | - | (16,514) | 90,209 | 26,500 | - | (42,002) | 74,707 |
| Restricted Donations Fund | 31,229 | 43,245 | (7,101) | (23,668) | 43,705 | 228,208 | (56,067) | (113,737) | 102,109 |
| Calvert Reconnections Project Fund | 339,948 | 8,757 | - | (348,705) | - | - | - | - | - |
| | 469,907 | 117,301 | (11,048) | (442,246) | 133,914 | 274,708 | (56,067) | (155,739) | 196,816 |

**Friends of Calvert Trust**

The independent charity raises funds for purposes specified to assist The Lake District Calvert Trust. Transfers from this fund represent contributions towards qualifying expenditure which is not presented as direct expenditure, such as contributions towards capital items.

In response to the Coronavirus crisis the Friends of Calvert Trust (Lake District) de-restricted their funds during the previous year to provide unrestricted funds to support the Trust's ongoing costs through the COVID crisis. Following the Lake District Calvert Trusts' successful emergency appeal, funds raised by the Friends of Calvert Trust (Lake District) are once again restricted to qualifying expenditure.

**Special Enabling Fund**

The trustees' policy is, as far as possible, to make charges to our visitors that reflect the cost of running the centre, excluding costs of depreciation and irrecoverable VAT. The Special Enabling Fund contains funds, both donated directly and transferred from General Funds, which have been earmarked to provide limited financial assistance to visitors, both individual and groups, who would otherwise not be able to afford to visit the centre. This assistance is offered at the discretion of the Centre Director.

28 **Restricted funds** **(Continued)**

**Restricted Donations Fund**

This fund accounts for monies donated for specific expenditure. Transfers from this fund represent contributions towards qualifying expenditure which is not presented as direct expenditure, such as contributions towards capital items.

**Calvert Reconnections Project Fund**

The trustees established this fund as part of the development of a specific programme to support people with an acquired brain injury (ABI) or other associated neurological conditions. The project benefitted from the net contribution from our Go Herdwick public fundraising event which culminated in 2016 together with monies directly donated to the fund. The Calvert Reconnections Project Fund was previously known and included under the name of ABI Project Fund.

With the delay to opening Calvert Reconnections caused by the Coronavirus crisis the remaining funds have been utilised during 2020 supporting the ongoing costs of maintaining the centre and staff teams.

### 29 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Balance at 1 December 2019 | Resources expended | Transfers | Balance at 1 December 2020 | Resources expended | Transfers | Balance at 30 November 2021 |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| Trustees' Contingency Reserve | 580,000 | - | (580,000) | - | - | 310,944 | 310,944 |
| Fixed Asset Reserve | 4,969,692 | (212,719) | 138,067 | 4,895,040 | (262,261) | 164,511 | 4,797,290 |
| Revaluation Reserve | 261,776 | - | (3,532) | 258,244 | - | (3,532) | 254,712 |
| Development and Improvement Reserve | 40,635 | (10,661) | (16,345) | 13,629 | - | 127,371 | 141,000 |
| Calvert Lakes Winter Reserve | - | - | - | - | - | 235,304 | 235,304 |
| Calvert Reconnections Winter Reserve | - | - | - | - | - | 163,893 | 163,893 |
| | 5,852,103 | (223,380) | (461,810) | 5,166,913 | (262,261) | 998,491 | 5,903,143 |

**Trustees' Contingency Reserve**

The trustees consider that reserves should be set aside to cover uninsurable contingencies such as fundraising shortfalls or losses resulting from having to close either the Calvert Lakes centre, Calvert Reconnections centre or the Calvert Stables for unforeseeable reasons. As a result of the Coronavirus crisis the Trustees' Contingency Reserve was utilised during the previous year in keeping with this purpose with the remaining balance being transferred to General Funds at the year end.

During 2021 the trustees undertook a review of the risks faced, contingency requirements and level of reserves required. Additional reserves have been created accordingly and target balances set.

Having consideration of the Trust's other designated reserves the target for the Trustees Contingency Fund is considered to be £510,000 at November 2021. With a shortfall of £199,056 the trustees will be seeking to rebuild the reserve going forwards and are putting in place alternative sources of finance, should the need arise.

Both the policy and the balance are reviewed annually.

**29 Designated funds** **(Continued)**

**Fixed Asset Reserve and Revaluation Reserve**

The trustees have established these funds to clarify to users of the accounts the amount of reserves that are tied up in Fixed Assets and Revaluation Reserve. Transfers shown from the Fixed Assets Reserve and other funds reflect the purchases of assets now used in the general purposes of the Charity. This in turn helps clarify to users of the accounts the level of general funds.

**Development and Improvement Reserve**

This reserve has been established in order that trustees can designate funds to use for identified projects that are considered above and beyond normal operating expenditure. The reserve will normally be funded through unexpected 'windfall' income such as legacy gifts in excess of annual forecasts or unplanned operational surpluses and taken from General Funds. The identified projects requiring funding in 2022 include improvements to the Trust's internet connection and IT infrastructure across the charity, improved ventilation and air quality, modernising and reducing energy consumption, continuing the programme of improvements to facilities and developments at Calvert Stables.

**Calvert Lakes Winter Reserve**

This reserve has been established to accommodate reduced income in the low season at Calvert Lakes between December and March each year, resulting in costs in excess of income generated. The forecast reserve figure for 2022 low season is £235,304, including consideration of the impact of the coronavirus crisis. This will be rebuilt during the peak season, June to November each year, with the policy and balance reviewed annually. Alternative sources of income and operation are constantly being considered to reduce the low season imbalance and need for this reserve.

**Calvert Reconnections Winter Reserve**

This reserve is necessary to provide working capital in the initial trading period of Calvert Reconnections when booking patterns are unknown and Coronavirus remains a negative factor resulting in expected reduced occupancy over the winter period, December to March. The forecast for 2022 is a reserve of £163,893. The expectation is that this reserve will not be required for future years with the policy and balance reviewed annually.

**30 Analysis of net assets between funds**

| | **Unrestricted funds 2021** | **Designated funds 2021** | **Restricted funds 2021** | **Total 2021** | Unrestricted funds 2020 | Designated funds 2020 | Restricted funds 2020 | Total 2020 |
|---|---|---|---|---|---|---|---|---|
| | **£** | **£** | **£** | **£** | £ | £ | £ | £ |
| Fund balances at 30 November 2021 are represented by: | | | | | | | | |
| Tangible assets | - | 5,052,002 | - | 5,052,002 | - | 5,153,284 | - | 5,153,284 |
| Investments | - | 869,722 | - | 869,722 | 461,165 | - | - | 461,165 |
| Current assets/(liabilities) | 85,867 | (18,581) | 196,816 | 264,102 | (150,034) | 13,629 | 133,914 | (2,491) |
| Long term liabilities | (85,867) | - | - | (85,867) | - | - | - | - |
| | - | 5,903,143 | 196,816 | 6,099,959 | 311,131 | 5,166,913 | 133,914 | 5,611,958 |

**31 Cash generated from operations**

| | Notes | 2021 £ | 2020 £ |
|---|---|---|---|
| Surplus/(deficit) for the year | | 488,001 | (802,933) |
| Adjustments for: | | | |
| Investment income recognised in statement of financial activities | 5 | (7,726) | (7,905) |
| Fair value gains and losses on investments | | (3,799) | (331) |
| Depreciation and impairment of tangible fixed assets | 8 | 262,261 | 212,719 |
| Movements in working capital: | | | |
| Decrease in stocks | 20 | 356 | 1,286 |
| (Increase)/decrease in debtors | 21 | (26,632) | 167,239 |
| Increase in creditors | 23 | 27,237 | 44,985 |
| (Decrease)/increase in deferred income | 25 | (17,407) | 143,640 |
| **Cash generated from/(absorbed by) operations** | | 722,291 | (241,300) |

**32 Analysis of changes in net funds**

| | At 1 December 2020 £ | Cash flows £ | At 30 November 2021 £ |
|---|---|---|---|
| Cash at bank and in hand | 232,443 | 263,480 | 495,923 |
| Loans falling due within one year | - | (13,333) | (13,333) |
| Loans falling due after more than one year | - | (85,867) | (85,867) |
| | 232,443 | 164,280 | 396,723 |

**33 Related party transactions**

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

**James Fryer-Spedding - Trustee**
The trust paid rent to James Fryer-Spedding, trustee amounting to £3 (2020 - £6,253) during the year. The rents paid are below market value. James Fryer-Spedding made donations to the charity during the year of £2,150 (2020 - £5,000). At the balance sheet date the amount due to/from to James Fryer-Spedding - Trustee was £Nil (2020 - £Nil).

**Claire Hensman - Trustee**
Claire Hensman made donations to the charity during the year of £1,000 (2020 - £Nil). At the balance sheet date the amount due to/from to Claire Hensman was £Nil (2020 - £Nil).

**William Bell - Trustee**
William Bell made donations to the charity during the year of £30 (2020 - £Nil). At the balance sheet date the amount due to/from to William Bell was £Nil (2020 - £Nil).

# THE LAKE DISTRICT CALVERT TRUST

## APPENDIX 1: GRANTS AND DONATIONS RECEIVED

### *FOR THE YEAR ENDED 30 NOVEMBER 2021*

The Lake District Calvert Trust would like to express our thanks to the following organisations for their support throughout the year. It is only through their continued support along with the generous personal support from countless individuals and volunteers that enables the Trust to provide so many life changing experiences.

Allerdale Borough Council
Aptus Utilities
Armathwaite Thursday Club
Arnold Clark Community Fund
Atkins Ltd
Balfour Aitnoch Charitable Trust
Beechwood Trust
Bolton WI
Bunbury Unlimited Mountaineers
Cartmell Racecourse
CLA Charitable Trust
Clacton Camera Club
Cockermouth Soroptimist
Concept Metal Products Co. Ltd
Cumberland & Westmorland Grand Lodge Benevolent Fund
Cumbria Community Foundation
Cumbria Police
Dentdale WI
Dobies Charitable Trust
Ecclesiastical Insurance Group
Egremont Rugby Union Football Club
Eleanor Rathbone Charitable Trust
Envireau Water
Fitz Park Dental Practice
Foster Fabrications
Friends of Lake District Calvert Trust
Giggleswick WI
GLL (Carlisle & Allerdale Leisure Centres)
Gorphwysfa Club
Gosforth Masonic Lodge
Grange-over-Sands Lions Club
Grisdales Estate Agents Ltd
*Grocers' Charity*
Herdwick Cottage Ambleside
High Dyke Equestrian Centre
Houghton WI
Inov-8 Ltd
J Balchin & Sons Ltd
James Walker & Co. Ltd
Jefferies Financial Group
John Dalton Lodge No. 7577
John Hainsworth Bates Charitable Trust
John Laing Charitable Trust
Keswick Rotary Club
Keswick St John's Parish Church Council
*King Kong Climbing Centre*
Lakeland Disability Support
Lakeland Trails Ltd
LGA Foundation
Lloyd Ltd
Long Distance Walkers Association (Lakeland)
Marlow Trust
Marsh Commercial
Middlesex Sports Foundation
Mitchells Auction Company Ltd
Moog Inc. (UK)
Mrs D M France-Hayhurst Foundation
North West Equine Vets Ltd
OEE Container Technology
Onward Living
Palmer Sustainable
Pemberton-Barnes Trust
Penrith Building Society
Penrith Probus Club
Peter Harrison Foundation
Pooley Bridge WI
Quintessa Ltd
Reisser Ltd
Religious Society of Friends (Quakers)
Rochdale Charitable Trust
Rotary Club of Ambleside Kirkstone
Rotary Club of Appleby
Rotary Club of Bassenthwaite
Rotary Club of Blackburn
Rotary Club of Bourne
Rotary Club of Carlisle Castle
Rotary Club of Clitheroe
Rotary Club of Furness
Rotary Club of Kettering
Rotary Club of Melton Mowbray
Rotary Club of Northampton Becket
Rotary Club of Whitehaven
Rotary Club of Workington
Roxburghe Estates
Savills
Seascale Golf Club
Sellafield Ltd
Sir George Martin Trust
Sir John Sumner's Trust
Slemish Trust
Sport England
St Andrew's Church
*St Bega Charitable Trust*
St Margaret's Church, Wythop

# THE LAKE DISTRICT CALVERT TRUST

## APPENDIX 1: GRANTS AND DONATIONS RECEIVED

### *FOR THE YEAR ENDED 30 NOVEMBER 2021*

Story Contracting Ltd
T & S Wilson, Scales Farm
T. Rowe Price Investment Management
Team X111 Cycling
The Adamson Trust
The Band Trust
The Beales Family Charitable Trust
The Beryl Evetts & Robert Luff Animal Welfare Trust Limited
The British Horse Society
The Brunton Arms
The Catherine Cookson Charitable Trust
The Charles Godwin Charitable Trust
The Edward Gostling Foundation
The Eveson Charitable Trust
The Gruesomes
The Hadfield Charitable Trust
The Hospital Saturday Fund
The Hugh Fraser Foundation
The Lingholm Estate
The Lord Barnby's Foundation
The National Lottery Community Fund
The Northwick Trust
The Pom Charitable Trust
The Rank Foundation
The Royal Oak
The Sir James Reckitt Charity
The Sir Jules Thorn Charitable Trust
The Sir Peter O'Sullevan Charitable Trust
The Traiding Post Trust
Transverse Myelitis Society
TripAdvisor
U.R.C Arts & Craft Charity Account
Ullswater Yacht Club
W O Street Charitable Foundation
Wainwright Society
Wates Family Enterprise Trust
West Cumberland Farmers Ltd
West Cumberland Orienteering Club
White Stuff Foundation
Wigan Ukelele Club
William Grant & Sons Distillers Ltd
Workington Ladies Guild
Workington to Keswick Charity Walk
Yew Tree Hall Committee

**THE LAKE DISTRICT CALVERT TRUST**

England & Wales - Charity number 270923

# Accounts

Company registration number: 01240160
Charity registration number: 270923

# The Lake District Calvert Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 November 2020

Calvert Trust
Challenging Disability Through Outdoor Adventure
Lake District

# The Lake District Calvert Trust

## Contents


| | |
|---|---|
| Reference and Administrative Details | 1 to 4 |
| Chair's Statement and Trustees' Report | 5 to 16 |
| Statement of Trustees' Responsibilities | 17 |
| Independent Auditors' Report | 18 to 21 |
| Statement of Financial Activities | 22 to 23 |
| Balance Sheet | 24 |
| Statement of Cash Flows | 25 |
| Notes to the Financial Statements | 26 to 49 |
| Appendix 1 | 50 |

## The Lake District Calvert Trust

## Reference and Administrative Details

| | |
|---|---|
| **Trustees** | Giles H Mounsey-Heysham, Chair<br>William R Bell<br>Corinna Cartwright<br>Julian J Handy<br>Claire T Hensman<br>Susan M Kellock (resigned 11 January 2020)<br>Martin G Mullin<br>Stephen L Nicol (resigned 11 September 2020)<br>Christine Sheldon<br>Mark J Winfield (resigned 30 November 2020)<br>Ian S Lowthian<br>William TS Braithwaite QC<br>Heather A Batey<br>James Walter Fryer-Spedding (appointed 30 November 2020)<br>Jane E Saxon (appointed 30 November 2020)<br>Anthony D Glynn (appointed 30 November 2020) |
| **Secretary** | Anthony D Glynn |
| **Other Officers** | Sean Day, Centre Director |
| **Principal Office** | Little Crosthwaite<br>Underskiddaw<br>Keswick<br>Cumbria<br>CA12 4QD |
| **Country of Incorporation** | England and Wales |
| **Company Registration Number** | 01240160 |
| **Charity Registration Number** | 270923 |
| **Investment Advisor** | Sarasin and Partners LLP<br>Juxon House<br>100 St. Paul's Churchyard<br>London<br>EC4M 8BU |

## The Lake District Calvert Trust

## Reference and Administrative Details (continued)

| | |
|---|---|
| **Bankers** | Barclays Bank plc<br>Keswick Branch<br>Market Square<br>Keswick<br>Cumbria<br>CA12 5BE |
| | CAF Bank<br>25 Kings Hill Avenue<br>Kings Hill<br>West Malling<br>Kent<br>ME19 4JQ |
| **Auditor** | David Allen<br>Chartered Accountants and Statutory Auditors<br>Dalmar House<br>Barras Lane Estate<br>Dalston<br>Carlisle<br>Cumbria<br>CA5 7NY |

## The Lake District Calvert Trust

## Reference and Administrative Details (continued)

| | |
|---|---|
| **Finance Committee** | Martin G Mullin, Chair |
| | Giles H Mounsey-Heysham |
| | Anthony D Glynn |
| | Ian S Lowthian |
| | Philip Stout, Co-opted Member |
| | Stuart Coe, Co-opted Member |
| **Audit Committee** | Ian S Lowthian, Chair |
| | Anthony D Glynn |
| | Martin G Mullin |
| | Roger Cooke, Co-opted Member |
| **Business Development Committee** | Christine Sheldon, Chair |
| | Giles H Mounsey-Heysham |
| | William R Bell |
| | Ian S Lowthian |
| | Corinna Cartwright |
| | Janaki Spedding, Co-opted Member |
| **Operations Committee** | Julian J Handy, Chair |
| | Giles H Mounsey-Heysham |
| | Corinna Cartwright |
| | Ian S Lowthian |
| | Rosemary Riley, Co-opted Member |
| **Nominations Committee** | William R Bell, Chair |
| | Giles H Mounsey-Heysham |
| | Claire Hensman |
| **Calvert Reconnections Committee** | William T S Braithwaite QC, Chair |
| | Christine Sheldon |
| | Giles H Mounsey-Heysham |
| | William R Bell |
| | Martin G Mullin |
| | Ian S Lowthian |
| | Heather A Batey |
| | Fiona Nixon, Co-opted Member |

## The Lake District Calvert Trust

## Reference and Administrative Details (continued)

| | |
|---|---|
| **Emeritus Trustees** | John Fryer-Spedding CBE |
| | Roger Cooke, Vice President |
| | John Wood |
| | Terry Lansbury |
| | Tony Welton |
| | Michael Toulmin |

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

In 2019 our Finance Committee met to agree what level of financial reserves we should aim for. We thought that an amount equivalent to 6 months of expenditure for one of our two centres would suffice. The worst case scenario that we could think of was another outbreak of Foot and Mouth and in that eventuality, it probably would not close both centres. If only we had known what was waiting for us around the corner.

2020 was a seriously traumatic year for the Trust as for everyone else. Whilst we still face significant challenges, COVID vaccinations give us light at the end of the tunnel. We are still here and with the help of our myriad of supporters and donors we will "Bounce Back". Our resolve remains strong to see this wonderful charity survive and thrive

The year was unlike anything we have ever faced: our doors at Calvert Lakes were closed in March as the country went into lockdown, we reopened from August to October but with limited uptake and ended the year locked down again. Our plans to open Calvert Reconnections were dashed by the virus. Most of our staff were furloughed and remain so as we enter 2021. That said, we stand ready to reopen at Calvert Lakes and are poised to open Calvert Reconnections - our cutting edge rehabilitation unit for people recovering from acquired brain injuries.

Our disabled visitors tell us that the great majority of them missed out on a holiday in 2020. Almost all are hoping to come back in 2021 but a significant majority will wait for a vaccination before they return. A worryingly large proportion reported physical or mental health impacts. We are convinced that there will be a stronger than ever demand for our vital services once the country begins to open up again.

The blanket ban on schools taking residential trips was a severe blow to us and it remains a risk as we enter 2021. The furlough scheme has really helped but unlike in Scotland and Northern Ireland, there is no government financial help for outdoor education centres, particularly for the bespoke support we provide for disabled clients built up over nearly 45 years.

To address our income shortfall we launched our "Emergency Bounce Back Appeal". The response has been overwhelming but we still have much to do to assure us of a strong future. Our fundraising team has really come to the fore with the pandemic and has been key to keeping us afloat and leveraging all the social media tools to build our profile. It has been remarkable to see the astonishing support for Oliver's Calvert Army and we are indebted to the amazing Voysey family for their huge support in this difficult time.

Our financial figures reflect the year with a headline deficit of £802,933 (2019: surplus of £881,462, albeit dominated by Calvert Reconnections fundraising). Underlying fee income from centre activities was £312,293 (2019: £1,170,202) with no contribution from Calvert Reconnections, despite costs preparing the service for opening.

During 2020 we hosted 973 children and adults with disabilities together with their families and friends (2019: 3,584) totalling 3,467 bed nights (2019: 12,243).

Donations and legacies totalled £814,786 (2019: £1,558,310, dominated by Calvert Reconnections fundraising). This included £282,444 (2019: £0) of Coronavirus Job Retention Scheme (furlough) grant payments. There are too many supporters to mention all by name but my thanks go to several Grant Making Trusts, groups and individuals: The Voysey family, The Friends of Calvert Trust (Lake District), Rotary clubs across the county and indeed country, Wainwright Society, Cumbria Community Foundation, The Gruesomes, The Rank Foundation and The Garfield Weston Foundation, to name but a few. A fuller list can be found in the appendix to these accounts and our sincere thanks go to those listed as well as the many other individuals and organisations who have supported us through such a challenging time.

## The Lake District Calvert Trust

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

The Trustees Contingency Reserve started the year at £580,000 but sadly, because of our fixed costs which we have to pay irrespective of whether we are hosting guests or not, it is diminishing fast. The balance has been transferred to General Reserves at the year end to fund our continued survival through the crisis. It is for this reason we not only launched our Appeal but also put in place contingency loan facilities.

We have invested £27,006 from the Development and Improvement Reserve to improve our water supply as well as developing new self-contained accommodation options specifically to support our clinically vulnerable beneficiaries. We would hope to keep a reserve for ongoing improvements and maintenance although this could prove challenging as we build back after COVID.

The hydrotherapy pool provides an important benefit to those on our residential courses but also the local disabled community. When we were open, the service was greatly in demand and was used by the community for 2,984 individual hydrotherapy pool sessions (2019: 12,119). It is now 10 years old and we are formulating a development plan to ensure it continues for our disabled beneficiaries, both residential and community based.

The Trust's stables continue to be a popular and much-in-demand service, providing accessible riding and trap driving. Again this service benefits both our residential visitors and the wider community and it supported 712 participant sessions (2019: 2,959). Our thanks and appreciation go out to the staff and volunteers, the Stables Committee for their continued support, advice and guidance and our friends who have been looking after the horses during the lockdowns.

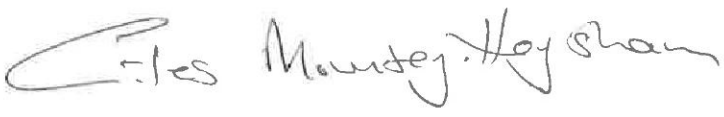
I would like to record my enormous thanks to Susan Kellock, Mark Winfield and Stephen Nicol who stood down as trustees during the year. They continue to support the work of the Trust and their contribution has been significant. Thank you all. Can I bid a very warm welcome to our three new trustees; Jane Saxon, Anthony Glynn and James Fryer-Spedding.

So much for 2020, a year many of us would like to forget. We are so lucky to have unfailing support from our friends, benefactors and volunteers. Without our amazing team of staff, our task would have been even more difficult. The same applies to our trustees who have played an incredible role in keeping us afloat. Some have even had to take on a quasi-executive role as well as fulfilling their day jobs. I thank you all for your patience, fortitude and sense of humour in these dark times.

Turning to the future, we still have some financial reserves but how long they and the pandemic will last, who knows? We will be judged on our handling of the Trust during this crisis and we are already documenting the lessons we have learnt from it. But, in the immortal words of Tina Turner and Gloria Gaynor, the Lake District Calvert Trust is "Simply the Best" and without doubt "We will Survive".

Thank you all.

**Giles Mounsey-Heysham**



# The Lake District Calvert Trust

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

### Trustees' Report

The trustees, who are also directors of the charity for the purposes of company law, present their annual report and the audited financial statements for the year ended 30 November 2020. The annual report serves the purposes of both a Trustee's Report, and a Director's Report under company law.

### Structure, Governance and Management

The charity was incorporated on 12 January 1976 as a Company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association. The charity has dispensed with the use of the word "Limited" in its name.

The Trust's centre at Keswick was opened in 1978. Working closely with the Trust's disabled visitors and the many organisations that visit our centre the Trust has pioneered the provision and promotion of outdoor activities for people with disabilities.

The Board of trustees have delegated day to day management of the Trust to three standing committees - Operations, Business Development and Finance. Additional committees including a committee to oversee the implementation of Calvert Reconnections, an Audit Committee, to provide financial and risk oversight and ensure compliance responsibilities are met, and a Nominations Committee have also been established. The Board of trustees meets at least three times a year to receive reports from the Centre Director, Senior Management Team and each committee in order to ensure that all trustees are fully involved in the Trust's governance process.

From March 2020 the trustees implemented an emergency crisis management structure which included an operational Crisis Management Team, Finance 'Cobra' Committee, and Chair's Group. The Trustees delegated authority to the Chair's Group, meeting initially weekly and then fortnightly, to make the necessary decisions needed to manage the Trust through a rapidly developing national crisis.

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

The trustees are from a variety of relevant professional, business and charitable backgrounds with a number having experience in the disability field. The composition of the trustees' board and their experience and skills are regularly reviewed, to ensure the number and balance of trustees remains appropriate.

All directors of the company are also trustees of the charity, and there are no other trustees. All of the trustees named on the Reference and Administrative Information page served throughout the year except as declared. The board has the power to appoint additional trustees as it considers fit to do so.

### Use of Volunteers

The charity has benefitted from the help of over 70 volunteers during the financial year. The majority of these volunteers assist and support the riding activities, with other volunteers also assisting in supporting our residential Calvert Lakes courses and programmes. Along with staff, when the centres closed in March 2020 as a result of the national lockdown and then subsequent government restrictions, volunteering opportunities were limited. The Trust has benefitted from volunteers supporting essential fundraising activities during this period.

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

### Trustees' Induction and Training

All new trustees follow a formal trustee induction process and receive a trustee induction pack. They also complete an orientation meeting with the Centre Director, followed by a full tour and formal training on disability awareness and child protection. During the crisis in person tours and orientation meetings have been postponed.

### Key Management Personnel Pay and Remuneration

The key management personnel of the charity consists of the senior management and leadership team members. The remuneration of the members is set and agreed by the Finance Committee.

### Fundraising

The charity carries out a number of fundraising activities throughout the financial year. These activities are organised through the Trust's fundraising team. The Trust adheres to a fundraising code and is registered with the Fundraising Regulator to ensure all fundraising activities follow best practice. The charity also uses external consultants to provide assistance when undertaking capital appeals. Due to the crisis and national restrictions many events and fundraising activities were cancelled or postponed. This had a very significant negative immediate impact on fundraising activities. In response to the crisis the fundraising team developed a new fundraising strategy focusing on virtual events and emergency grant applications with a focus on core and unrestricted income.

As the crisis progressed and contingency funds were depleted the Trust took the decision to launch an 'Emergency Bounce Back Appeal'. Further details are provided in the 'Plans for Future Periods' section below.

### Aims, Objectives and Public Benefit

The charity exists in order to benefit people with disabilities. It aims to enable them, together with their families and friends, to achieve their potential through experiencing the challenge of outdoor adventure in the countryside. It does so principally through the provision of specialised facilities in and near Keswick in the Lake District.

The particular benefits that the charity's activities offer to our visitors are:

- The enrichment of their lives through adventure, confidence building and personal achievement.
- The chance to enjoy countryside of exceptional natural beauty.
- The opportunity to participate in a programme that includes relaxation as well as course activity.
- The enjoyment of recreational activities that can be transferred into everyday living.
- Personal development and rehabilitation leading to integration.

The Trust recognises the economic disadvantage experienced by many people with disabilities. Accordingly, in suitable cases it may be able to offer direct financial support in the form of bursaries. In other instances it may be possible to guide visitors towards other sources of subsidy. The charity's philosophy is to try to ensure that no person with a disability should be deprived of the opportunity of a visit because of a lack of funds.

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

### Activities

The charity is proud to offer a wide range of exciting outdoor activities, meaningful challenge and adventure within a framework of safety. It has been involved in the development of an extensive range of activities for disabled people, which now include sailing, accessible biking, canoeing, kayaking, climbing, abseiling, horse riding, carriage driving, mountaineering, hillwalking / pushing, bush craft, orienteering, challenge activities and accessible ropes courses.

The charity constantly strives to expand and improve the range of activities available to its visitors. It is pleased to be recognised as a leader in its field.

### Trustees' Indemnities

The charity has held trustee indemnity insurance throughout the accounting period.

### Tangible Fixed Assets for Use by the Charity

Changes in fixed assets are shown in the notes to the financial statements. The Trust occupies two freehold properties near Keswick named Little Crosthwaite and Old Windebrowe, which were the subject of a generous gift when the Trust was founded. The Trust uses these properties as the bases from which it carries out its work. The properties, when gifted, were subject to a restriction that, should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity.

The Trust also occupies an accessible boathouse on Bassenthwaite Lake, Bowderstone Cottage in Borrowdale and various grazing for our stables facility on a leasehold basis.

### Safety and Risk Management

The Trust commissions regular health and safety audits. Audits of safety procedures have been undertaken in 2006, 2009 and 2016 and all recommendations have been implemented. A further independent health and safety audit was undertaken in May 2019 and an action plan to implement the recommended improvements is underway and monitored by the Operations Committee. A specific report was commissioned in 2018 to review pedestrian and vehicle movements at our Little Crosthwaite centre. Recommendations to enhance safety were received and improvements were completed in 2019.

The trustees actively review the major risks which the charity faces on a regular basis and have undertaken a specific risk review in respect of the ongoing Coronavirus crisis. As a result of this review an 'Emergency Bounce back Appeal' has been launched and Covid secure measures have been introduced ready to support a reopening of the Trust's facilities.

The trustees also examine other operational and business risks faced by the charity and monitor systems to mitigate the significant risks. Risks associated with IT infrastructure and data protection were considered and infrastructure was improved to support remote working during the crisis. Significant challenges remain in part due to the poor internet connectivity present in rural Cumbria.

### Other Calvert Trusts

The Trust is one of three Calvert Trust centres. The other two are Northumbria Calvert Trust (Charity Number 511851) and Exmoor Calvert Trust (Charity Number 1005776).

The work of the three Trusts is co-ordinated by The Council of the Calvert Trust (Charity Number 1042423) and the trustees of The Council of the Calvert Trust are the three operating Trusts.

# The Lake District Calvert Trust

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

### Strategic Report

The following sections for achievements and performance and financial position form the strategic report of the charity.

### Achievements and Performance

Going into 2020 the Trust was expecting its busiest ever year with a record level of advance bookings for our Calvert Lakes centre and our new Calvert Reconnections neuro-rehabilitation service about to open. However, with the introduction of the national lockdown followed by national restrictions, including the government's ban on all school residential visits, the Trust was forced to close all centres from March 2020.

Calvert Lakes

Going into 2020 the Trust was forecasting 12,500 bed-nights supporting around 4,000 beneficiaries over the course of the year. This would have generated over £1million of income and enabled the centre to break even after fundraising.

During the first 3 months of the year, from December 2019 until the lockdown was introduced in early March 2020, the Trust welcomed 523 beneficiaries to our centre for a total of 1,817 bed-nights. During this period the team were able to deliver their normal range of courses and activities supporting disabled children, families and individuals on a range of educational and personal development short breaks.

With the advent of the Coronavirus pandemic and the increasing crisis in the UK, the Trust was forced to close the centre in March 2020. This was a difficult and uncertain time for all staff and visitors with a lack of clarity over how long the crisis would continue, the implications for staff and decisions around visitor bookings and deposits. With the announcement of the government's Coronavirus Job Retention Scheme (furlough) the decision was made to furlough the majority of Calvert Lakes staff with the exception of our fundraising team, some members of the Senior Management Team (SMT) and our Maintenance Supervisor.

In order to support those beneficiaries who had been unable to participate in their planned visits because of the national restrictions, the trustees approved a variation to our contract terms and conditions. This enabled those prevented from attending during the lockdown to either transfer their booking to a future date in its entirety or to receive a refund minus a charge equivalent to their £50 deposit, no matter what the period of notice. This was well received and the majority of beneficiaries made the decision to transfer their bookings to a future date.

During this period of lockdown the Trust continued to keep in touch with our beneficiaries and undertook a survey of the expectations and experiences of our visitors.

- 72% felt that their physical health had been adversely affected by the Covid-19 lockdown.
- 84% believed their mental health had suffered.
- 60% were planning to arrange an accessible break as soon as the lockdown was lifted, subject to 'covid secure' measures being in place.
- 40% of respondents were shielding due to underlying health conditions.

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

With the easing of national restrictions at the end of July, the introduction of 'flexible furlough' and the clear need of a large segment of our beneficiaries the Trust made the decision to reopen Calvert Lakes at the end of July 2020. The aim was to provide a valuable service to our beneficiaries, support staff and ensure our services could be delivered in a 'covid secure' way. In addition we introduced a number of new initiatives that sought to either maximise income or provide services needed as a result of the pandemic. This included:-

- The creation of an on-site self-contained 2 bedroom, accessible, self-catering apartment utilising vacant staff accommodation. This was promoted to our beneficiaries who were clinically vulnerable.
- The conversion of annex accommodation area into two separated 2 bedroom suites, each with their own lounge area and separate from other on-site accommodation. Again this was promoted to our beneficiaries who were clinically vulnerable.
- Advertising of the Trust's accommodation as a bed and breakfast (B&B) option on Booking.com in order to utilise otherwise empty accommodation.

The result of this activity was that the Trust welcomed a further 450 individuals for a total of 1,671 bed nights during the remainder of the year, July to November 2020. This was carried out in a covid secure manner with reduced occupancy, reduced group sizes as well as increased hygiene measures, staff face coverings and disinfection of rooms between clients using fogging systems. Bookings were almost exclusively from families and individuals as a result of the continued ban on school residential trips and the complexity for groups coming away under social distancing restrictions such as the 'rule of 6'.

With the introduction of further national restrictions and then the reintroduction of a second national lockdown on 5th November 2020, Calvert Lakes once again closed and the majority of staff were once again furloughed.

The total number of beneficiaries was therefore restricted to just 973 individuals (2019: 3,584) staying for a total of 3,488 bed-nights (2019: 12,243). In addition our hydrotherapy pool received 2,984 visits (2019: 12,119) from the local community.

Calvert Reconnections

Following 5 years of development work and a major fundraising appeal, the Trust completed a capital refurbishment and repurposing of our historic Old Windebrowe building in late 2019. The final fit out of Calvert Reconnections was then completed in March 2020 and provided for the homely, real world residential centre from which the Trust could deliver its new and unique brain injury rehabilitation service. Our thanks go to our trustee William Bell and his wife Alison who masterminded the interior design work required to create the high quality and stimulating environment of Calvert Reconnections. The new service was officially opened on March 13th 2020 with the first clients due to arrive 4 weeks later.

With the implementation of the UK national lockdown on 20th March 2020, the trustees, in consultation with our expert advisors, made the difficult decision to postpone the opening of the new service. The unanimous view was that the safety of the Trust's beneficiaries must come first and until the impact of the virus, its effective management in a residential setting and the safety of staff from infection could be confirmed the new service could not open.

This was particularly difficult for the service's first clients and the staff team. Many of the Reconnections staff were new to the Trust, were not eligible for the government's furlough scheme and in the case of the management team had left the NHS to manage and develop a new and exciting rehabilitation service.

With the easing of the first national lockdown in June 2020 the Trust made the decision to move towards an opening of Reconnections in September / October 2020. The majority of staff had been retained over this period, however the Trust had lost a number of key clinicians and managers who had made the decision to return to the NHS to provide frontline support. A new team was recruited and began the process of finishing the training of staff and planning with clients.

With a national resurgence of the Coronavirus becoming apparent in early September 2020 and the introduction of a tiered system of restrictions in October, once again the Trust made the difficult decision to postpone the opening of Calvert Reconnections. This decision was reached in the knowledge that adult social care settings were at particular risk from the virus and that vaccines were in late stage trials. The staff team, now eligible for government support, were mostly furloughed with clinical development work, planning with clients and building maintenance work being retained on a part-time basis.

Calvert Stables

Having returned from a successful Christmas and New Year closedown, the Calvert Stables started preparing for a busy year. In addition to their ongoing work with the local community and an expectation of a record year providing riding and trap driving activities as part of the Calvert Lakes courses, the Calvert Stables was planning to be an integral part of the Calvert Reconnections service. Being next door to the newly redeveloped building, the stables is ideally placed to provide riding and trap driving, vocational activities for clients working alongside staff and a unique programme of equine therapy.

With the advent of the national lockdown in March 2020, the stables was forced to close to all beneficiaries. Horse welfare is a priority however, so whilst closed to beneficiaries, the stables staff continued to care for horses. This continued until the team were able to procure additional off-site livery for the bulk of the Trust's horses. A number of staff were then able to be furloughed.

With a small amount of covid secure activities being provided during the summer / early autumn for the local community, the total number of riding and trap driving participant sessions was reduced to just 712, down from 2,959 in the previous year.

**Plans for Future Periods**

The Trust's immediate priority is to survive the Coronavirus crisis so that we can return to providing services to our beneficiaries. From the research carried out with our own beneficiaries and the wider national studies and media attention given to the physical and mental effects of the crisis, lockdowns and social distancing measures introduced over the past 12 months, we are certain that our services will be an essential part of the recovery from the crisis. We know the positive impact that the outdoor environment provides to both physical and mental health. This is well researched and self-evident. What has also become clear is that the Trust's beneficiaries, people with disabilities, are at a higher risk of coronavirus and also have a higher prevalence of physical and mental health issues as a result of the crisis. The Trust is committed to supporting our beneficiaries as soon as possible.

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

The Trust launched an 'Emergency Bounce Back Appeal' on the 1st December 2020. This sought to address the Trust's ongoing losses as a result of the crisis and highlighted the £1million reduction in income experienced in 2020. The appeal sought to secure unrestricted funding for the charity in order to ensure that with the expectation of continued restrictions during 2021, the Trust would have the necessary resources in place to reopen in summer 2021, continue to operate through the winter of 2021/22 and then provide the essential services needed to begin the recovery from the pandemic.

The trustees are very pleased to be able to report that the appeal has been incredibly well received, with unprecedented support from our community supporters and beneficiaries. This included a crowdfunding initiative from one of our young beneficiaries and his family who launched 'Oliver's Calvert Army'. Through Oliver's incredible efforts and the Trust's many beneficiaries the charity has secured over £500,000 to date. Whilst the crisis is ongoing and the impact of restrictions will continue for some time to come, this support will be instrumental in securing the Trust through 2021 and enabling the new Calvert Reconnections service to open its doors for the first time.

Looking away from the crisis, the Trust continues to plan for future developments. A priority will be to complete an essential refurbishment of our hydrotherapy pool which is now over 10 years old. Investment in this essential resource will be necessary to ensure it continues to meet the needs of the Trust's beneficiaries and the local community for the next 10 years.

Our riding centre will also require redevelopment in the near future as the riding arenas and stables themselves are urgently in need of repair and improvement. This will be essential if the facility is to continue to meet the needs of the local disabled community and to develop new delivery models as it works with our Calvert Reconnections service.

Following consultation on the needs and requirements of visitors to Calvert Lakes once the crisis ends, a refurbishment plan for the centre and the facilities has been developed. The aim will be to complete as much of this refurbishment as resources allow prior to reopening. Work will then be ongoing over the next few years to bring the centre up to the requirements of our beneficiaries.

Finally the Trust continues to consider opportunities to develop new services and identify new ways of supporting our beneficiaries. The Coronavirus crisis has proved to be an existential threat unlike any seen before. The Trust has started the process of reviewing the impact the crisis has had and learning from what has happened. This will involve considering the needs of our beneficiaries, identifying new requirements and ensuring our own sustainability as we look to the future.

### Transactions and Financial Position

The financial statements show a net deficit of £802,933 for the year after depreciation and unallocated irrecoverable VAT (2019 surplus £881,462). This deficit was after a depreciation charge of £212,719 (2019 - £212,916). Unrestricted gifts and donations totalled £697,485 (2019 - £251,009) which includes Coronavirus Job Retention Scheme income of £282,444 (2019 - £nil).

Prior to the crisis the trustees put in place a flexible £200,000 loan facility with Charity Bank (part of Charities Aid Foundation). This is secured through a legal charge over the Old Windebrowe property. The Charity Bank funds are currently undrawn. In addition and following the year end, in March 2021 an unsecured Barclay's CBIL (Coronavirus Business Interruption Loan) facility for £100,000 was secured to provide additional contingency funds. Whilst not expected to be utilised these loan facilities provide the Trust with essential emergency funds until reserves can once again be rebuilt.

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

### Financial Outlook 2021 to 2022

Trustees believe the Trust has managed its financial operations prudently during 2020 and, although challenged, the Trust remains in a healthy position. The cash flow model the Trust has developed has served well and has accurately predicted the position on cash and reserves over the period March 2020 until February 2021. The forward looking position remains encouraging as the replenishment of reserves commences in the middle of 2022. A robust sensitivity analysis suggests the upsides to the forecast are highly possible and the downsides are unlikely. Should the downsides materialise the Trust has the financial means to trade through the difficulties.

Our message continues to be positive and we remain committed to our beneficiaries. Through a combination of prudent financial management and the unfailing support of the community and our supporters, we are confident we will be able to reopen once government lockdown rules allow and continue to deliver life changing experiences for people with disabilities for many years.

### Reserves

The Trust's total reserves decreased to £5,611,958 at the year-end (2019 - £6,414,891). The Trust's free reserves, i.e. reserves that in practice may be allocated at the trustees' discretion, were £311,131 (2019 - £672,881).

The trustees believe that the Trust's current free reserves provide sufficient resources in the event of up to 3 months adverse conditions in normal trading conditions and up to 6 months during lockdown conditions. This is a reduction from the previous position of 6 months reserves in normal trading conditions. The trustees are considering additional loan facilities to provide for further contingency funds, subject to the outcome of the current appeal and continued trading restrictions.

In response to the Coronavirus crisis the Trustees Contingency Fund, which previously provided for 6 months adjustable expenditure in times of normal trading, has been transferred to the General Reserve. The Friends of Calvert Trust funds were un-restricted which also enabled a further transfer to the General Reserve. The remaining restricted Calvert Reconnections Project Funds of £348,705 were fully utilised to support Calvert Reconnections costs.

### Investment Policy and Returns

The Trust's investments are held in a charitable investment fund managed by Sarasin & Partners LLP. The investments are overseen by the Finance Committee who receive reports and meet regularly with Sarasin & Partners. The trustees' policy at this time is to reinvest returns in order to protect and grow the capital value of the funds.

In March 2020 the trustees liquidated the Trust's investment in order to de-risk and protect the balance and availability of funds. The balance remains with Sarasin and is held in a sterling liquidity 'money market' fund.

## FINANCIAL INSTRUMENTS

### Objectives and Policies

The charity's activities expose it to a number of financial risks including credit risk and cash flow risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees.

### Cash Flow Risk

The charity's activities expose it primarily to the financial risks of interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

As part of its crisis management arrangements the trustees have introduced monthly cash flow forecasts which extend until November 2022. These enable the Trust to rapidly model different financial scenarios in the quickly changing crisis and to sensitivity test key assumptions.

### Credit Risk

The charity's principal financial assets are bank balances and cash, trade and other receivables and investments. The trustees have considered the risks that affect the day to day operations, and have implemented procedures that are appropriate to the size of the Charity.

### Statement of Disclosure of Information to Auditors

The trustees of the charity who held office at the date of approval of this annual report confirm that –

- so far as they are aware, there is no relevant audit information or other information needed by the charity's auditors in connection with preparing their report, of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### Auditors

David Allen Chartered Accountants were appointed as the Trust auditors for the period commencing 1st December 2017 and remain in place. Gibbons Chartered Accountants were retained as the Trust's accountants.

David Allen Chartered Accountants, have signified their willingness to remain in office as auditors and a resolution re-appointing them will be proposed at the Annual General Meeting.

## The Lake District Calvert Trust

## Chair's Statement and Trustees' Report (incorporating the strategic report and directors' report)

The trustees' report and strategic report were approved by the trustees of the charity on 24 April 2021 and signed on its behalf by:

G.H. Mounsey-Heysham
.....
Giles H Mounsey-Heysham
Trustee

.....
Martin G Mullin
Trustee

## The Lake District Calvert Trust

## Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Lake District Calvert Trust for the purposes of company law) are responsible for preparing the trustees' report (incorporating the strategic report and directors' report) and the financial statements in accordance with the 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).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 24/4/21 and signed on its behalf by:

H. Mounsey-Heysham

Giles H Mounsey-Heysham
Trustee

Martin G Mullin
Trustee

## The Lake District Calvert Trust

## Independent Auditor's Report to the Members of The Lake District Calvert Trust

### Opinion

We have audited the financial statements of The Lake District Calvert Trust (the 'charity') for the year ended 30 November 2020, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 November 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 Companies Act 2006.

### 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 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.

## Independent Auditor's Report to the Members of The Lake District Calvert Trust (continued)

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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Chair's Statement and Trustees' Report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair's Statement and Trustees' Report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair's Statement and Trustees' Report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 17), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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.

## Independent Auditor's Report to the Members of The Lake District Calvert Trust (continued)

**Auditor's responsibilities for the audit of the financial statements**

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

A Welton

Alison Welton (Senior Statutory Auditor)
For and on behalf of David Allen, Chartered Accountants and Statutory Auditor

Dalmar House
Barras Lane Estate
Dalston
Carlisle
Cumbria
CA5 7NY

Date: 10 May 2021

## The Lake District Calvert Trust

## Statement of Financial Activities for the Year Ended 30 November 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|---|
| **Income and Endowments from:** | | | | | |
| Donations and legacies | 3 | 697,485 | 117,301 | 814,786 | 1,558,310 |
| Charitable activities | 4 | 312,293 | - | 312,293 | 1,170,202 |
| Investment income | 5 | 7,905 | - | 7,905 | 24,755 |
| Total income | | 1,017,683 | 117,301 | 1,134,984 | 2,753,267 |
| **Expenditure on:** | | | | | |
| Raising funds | 6 | (92,964) | - | (92,964) | (97,174) |
| Charitable activities | 7 | (1,767,371) | (11,048) | (1,778,419) | (1,823,193) |
| Total expenditure | | (1,860,335) | (11,048) | (1,871,383) | (1,920,367) |
| (Losses)/gains on investment assets | | (66,534) | - | (66,534) | 48,562 |
| Net income/(expenditure) | | (909,186) | 106,253 | (802,933) | 881,462 |
| Transfers between funds | | 442,246 | (442,246) | - | - |
| Net movement in funds | | (466,940) | (335,993) | (802,933) | 881,462 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 5,944,984 | 469,907 | 6,414,891 | 5,533,429 |
| Total funds carried forward | 22 | 5,478,044 | 133,914 | 5,611,958 | 6,414,891 |

## The Lake District Calvert Trust

## Statement of Financial Activities for the Year Ended 30 November 2020 (continued)
## (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| Comparative figures | Note | Unrestricted funds £ | Restricted funds £ | Total 2019 £ |
|---|---|---|---|---|
| **Income and Endowments from:** | | | | |
| Donations and legacies | 3 | 251,009 | 1,307,301 | 1,558,310 |
| Charitable activities | 4 | 1,170,202 | - | 1,170,202 |
| Investment income | 5 | 24,755 | - | 24,755 |
| Total income | | 1,445,966 | 1,307,301 | 2,753,267 |
| **Expenditure on:** | | | | |
| Raising funds | 6 | (97,174) | - | (97,174) |
| Charitable activities | 7 | (1,636,628) | (186,565) | (1,823,193) |
| Total expenditure | | (1,733,802) | (186,565) | (1,920,367) |
| (Losses)/gains on investment assets | | 48,562 | - | 48,562 |
| Net income/(expenditure) | | (239,274) | 1,120,736 | 881,462 |
| Transfers between funds | | 751,067 | (751,067) | - |
| Net movement in funds | | 511,793 | 369,669 | 881,462 |
| **Reconciliation of funds** | | | | |
| Total funds brought forward | | 5,433,191 | 100,238 | 5,533,429 |
| Total funds carried forward | 22 | 5,944,984 | 469,907 | 6,414,891 |

## The Lake District Calvert Trust

## (Registration number: 01240160)
## Balance Sheet as at 30 November 2020

| | Note | 2020 £ | 2019 £ |
|---|---|---|---|
| **Fixed Assets** | | | |
| Tangible assets | 14 | 5,153,284 | 5,231,468 |
| Investments | 15 | 461,165 | 622,654 |
| | | 5,614,449 | 5,854,122 |
| **Current assets** | | | |
| Stocks | 16 | 13,882 | 15,168 |
| Debtors | 17 | 95,708 | 262,947 |
| Cash at bank and in hand | 18 | 232,443 | 438,553 |
| | | 342,033 | 716,668 |
| **Creditors: Amounts falling due within one year** | 19 | (344,524) | (155,899) |
| **Net current (liabilities)/assets** | | (2,491) | 560,769 |
| **Net assets** | | 5,611,958 | 6,414,891 |
| **Funds of the charity:** | | | |
| **Restricted funds** | | 133,914 | 469,907 |
| **Unrestricted income funds** | | | |
| Designated Funds | | 4,908,669 | 5,590,327 |
| General Funds | | 311,131 | 92,881 |
| Revaluation reserve | | 258,244 | 261,776 |
| Total unrestricted funds | | 5,478,044 | 5,944,984 |
| **Total funds** | 22 | 5,611,958 | 6,414,891 |

The financial statements on pages 22 to 49 were approved by the trustees, and authorised for issue on 24/12 and signed on their behalf by:

G.H. Mounsey-Heysham

Giles H Mounsey-Heysham
Trustee

Martin G Mullin
Trustee

## The Lake District Calvert Trust

## Statement of Cash Flows for the Year Ended 30 November 2020

| | Note | 2020 £ | 2019 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net movement in funds | | (802,933) | 881,462 |
| **Adjustments to cash flows from non-cash items** | | | |
| Depreciation | 7 | 212,719 | 212,916 |
| Revaluation of investments | | (331) | (48,562) |
| Interest receivable on bank deposits | | (1,151) | (956) |
| Dividends receivable from other listed investments | | (6,754) | (23,799) |
| | | (598,450) | 1,021,061 |
| **Working capital adjustments** | | | |
| Decrease/(increase) in stocks | 16 | 1,286 | (1,522) |
| Decrease/(increase) in debtors | 17 | 167,239 | (118,138) |
| Increase in creditors | 19 | 44,985 | 6,915 |
| Increase/(decrease) in deferred income | 19 | 143,640 | (20,331) |
| Net cash flows from operating activities | | (241,300) | 887,985 |
| **Cash flows from investing activities** | | | |
| Interest receivable and similar income | 5 | 1,151 | 956 |
| Purchase of tangible fixed assets | 14 | (134,535) | (743,421) |
| Purchase of investments | 15 | (566,458) | (19,435) |
| Sale of investments | 15 | 728,278 | - |
| Dividends receivable from other listed investments | 5 | 6,754 | 23,799 |
| Net cash flows from investing activities | | 35,190 | (738,101) |
| Net (decrease)/increase in cash and cash equivalents | | (206,110) | 149,884 |
| Cash and cash equivalents at 1 December 2019 / 2018 | | 438,553 | 288,669 |
| Cash and cash equivalents at 30 November 2020 / 2019 | | 232,443 | 438,553 |

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

## 1 Charity status

The charity is a company limited by guarantee registered in England and Wales and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Little Crosthwaite
Underskiddaw
Keswick
Cumbria
CA12 4QD

The Trust operates from three main centres:

| Calvert Lakes | Calvert Reconnections | Calvert Stables |
|---|---|---|
| Little Crosthwaite | Old Windebrowe | Old Windebrowe |
| Keswick | Keswick | Keswick |
| Cumbria | Cumbria | Cumbria |
| CA12 4QD | CA12 4NT | CA12 4NT |

## 2 Accounting policies

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

**Statement of compliance**
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

**Basis of preparation**
The Lake District Calvert Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

These financial statements are presented in sterling, which is the functional currency of the charitable company. All amounts have been rounded to the nearest pound.

## 2 Accounting policies (continued)

### Going concern

As a result of the Coronavirus pandemic we have been forced to close our centres for much of 2020 and into 2021 which has had a major impact on our fee income. To ensure the sustainable future of the Trust we have utilised government support schemes and have had wonderful support from the community, service users and funders such that we close 2020 in a healthy cash position. The forecasts for 2021 and 2022 are based on a gradual reopening of the centres towards late summer 2021. Our scenario planning has examined the most likely future that we can predict with the current government guidance and we have examined the possible downsides as well as upsides. Emergency contingency funding has also been put in place if events are more adverse than the scenarios considered. As a result of these activities, we are confident that the charity can continue to operate on a going concern basis over the next 12 months.

### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

### Income and endowments

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

### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

### Grants receivable

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

## 2 Accounting policies (continued)

### Other trading activities

Income from other events is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

### Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. Dividends are recognised once the dividend has been declared and the right to receive payment has been established.

### Charitable activities

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Income is shown net of sales/value added tax, returns, rebates and discounts.

### Expenditure

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

### Voluntary Help

The Charity is very fortunate in receiving substantial amounts of voluntary unpaid help however this cannot be quantified and is therefore not included in the financial statements.

### Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

### Charitable activities

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

### Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating staff costs by the time spent and other costs by their usage.

## 2 Accounting policies (continued)

**Governance costs**
These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

**Government grants**
Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

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

**Tangible fixed assets**
Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Assets under construction are accounted for at cost and are not depreciated until the accounting period in which they are brought into use.

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

| Asset class | Depreciation method and rate |
|---|---|
| Leasehold property (building) | Over the period of each lease |
| Leasehold property (installations) | 10-20% per annum straight line |
| Freehold property (building) | Over the remaining life of the building |
| Freehold property (installations) | 5-10% per annum straight line |
| Furniture and equipment | 20% per annum straight line |
| Motor vehicles | 20% per annum straight line |

## 2 Accounting policies (continued)

**Fixed asset investments**
Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

**Stock**
Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks.

**Trade debtors**
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

**Cash and cash equivalents**
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. All grants and donations made for restricted purposes are held in such deposits.

**Trade creditors**
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## 2 Accounting policies (continued)

### Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement; or
- Payments are received in advance of the service or goods being provided.

### Horses

The charity owns a number of horses held for the use of customers. The acquisition cost and sale proceeds of transactions in these horses are charged or credited to the statement of financial activities in the relevant year.

### Fund structure

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

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### Pensions and other post retirement obligations

The charity operates a defined contribution scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

## 2 Accounting policies (continued)

### Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charitable company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charitable company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charitable company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Fixed asset investments are recognised and measured in accordance with the accounting policy.

Debt instruments are subsequently measured at amortised cost.

The charity does not enter into or acquire derivatives or other complex financial instruments.

## 3 Income from donations and legacies

| | Unrestricted funds General £ | Restricted funds £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|
| Donations and legacies; | | | | |
| Donations | 381,338 | 117,301 | 498,639 | 1,513,636 |
| Legacies | 6,000 | - | 6,000 | 22,243 |
| Grants, including capital grants; | | | | |
| Government grants | 282,444 | - | 282,444 | - |
| Regular giving and capital donations | 27,703 | - | 27,703 | 22,431 |
| | 697,485 | 117,301 | 814,786 | 1,558,310 |

The above Government grants was income received by the charitable company within the year from the governments Coronavirus Job Retention Scheme.

## 4 Income from charitable activities

| | Unrestricted funds General £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|
| Centre activity fees | 312,293 | 312,293 | 1,170,202 |

## 5 Investment income

| | Unrestricted funds General £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|
| Income from dividends; | | | |
| Dividends receivable from other listed investments | 6,754 | 6,754 | 23,799 |
| Interest receivable and similar income; | | | |
| Interest receivable | 1,151 | 1,151 | 956 |
| | 7,905 | 7,905 | 24,755 |

## 6 Expenditure on raising funds

### a) Costs of generating donations and legacies

| | Unrestricted funds | | |
|---|---|---|---|
| | General | Total 2020 | Total 2019 |
| | £ | £ | £ |
| Staff Costs | 83,184 | 83,184 | 73,036 |
| Fundraising costs | 8,381 | 8,381 | 19,774 |
| | 91,565 | 91,565 | 92,810 |

### b) Investment management costs

| | Unrestricted funds | | |
|---|---|---|---|
| | General | Total 2020 | Total 2019 |
| | £ | £ | £ |
| Investment management costs | 1,399 | 1,399 | 4,364 |
| | 1,399 | 1,399 | 4,364 |

## 7 Expenditure on charitable activities

| | Centre Activities | Marketing Costs | Total 2020 | Total 2019 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Wages and salaries | 870,027 | 95,817 | 965,844 | 869,518 |
| Social security costs | 61,038 | 8,629 | 69,667 | 65,917 |
| Staff pensions | 42,826 | 4,801 | 47,627 | 43,106 |
| Temporary workers | 1,861 | - | 1,861 | 12,540 |
| Staff training | 31,232 | - | 31,232 | 28,679 |
| Activity costs | 30,182 | - | 30,182 | 53,728 |
| Riding costs | 16,615 | - | 16,615 | 25,542 |
| Centre administration and insurance | 45,689 | - | 45,689 | 59,539 |
| Facility costs | 241,614 | - | 241,614 | 324,729 |
| Other operational costs | 51,455 | 15,253 | 66,708 | 64,925 |
| Audit fee | 3,500 | - | 3,500 | 5,000 |
| Management accountants fees | 10,462 | - | 10,462 | 8,020 |
| Unallocated irrecoverable VAT | 34,699 | - | 34,699 | 49,034 |
| Depreciation | 212,719 | - | 212,719 | 212,916 |
| | 1,653,919 | 124,500 | 1,778,419 | 1,823,193 |

**8 Analysis of governance and support costs**

**Support costs allocated to charitable activities**

| | Finance costs £ | Staff costs £ | Administration costs £ | Premises costs £ | Other support costs £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|---|---|---|
| Centre activity fees | 1,932 | 73,029 | 11,905 | 126,184 | 50,006 | 263,056 | 287,872 |
| Marketing costs | - | 109,247 | - | - | 15,253 | 124,500 | 137,589 |
| | 1,932 | 182,276 | 11,905 | 126,184 | 65,259 | 387,556 | 425,461 |

## 8 Analysis of governance and support costs (continued)

### Governance costs

| | Unrestricted funds | | |
|---|---|---|---|
| | General £ | Total 2020 £ | Total 2019 £ |
| Audit and accountancy fees | | | |
| Audit of the financial statements | 3,500 | 3,500 | 5,000 |
| Management accountants fees | 10,462 | 10,462 | 8,020 |
| | 13,962 | 13,962 | 13,020 |

## 9 Net incoming/outgoing resources

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

| | 2020 £ | 2019 £ |
|---|---|---|
| Audit fees | 3,500 | 5,000 |
| Other non-audit services - management accountants | 10,462 | 8,020 |
| Depreciation of fixed assets | 212,719 | 212,916 |

## 10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£5,104 (2019: £nil) of expenses were reimbursed to one trustee during the year.

The expenses reimbursed were in relation to the fit out costs of "phase 3" of the development of the Reconnections building.

No trustees, nor any persons connected with them, has received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

## 11 Staff costs

The aggregate payroll costs were as follows:

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| **Staff costs during the year were:** | | |
| Wages and salaries | 1,039,045 | 933,727 |
| Social security costs | 76,061 | 71,644 |
| Pension costs | 51,216 | 46,206 |
| | 1,166,322 | 1,051,577 |

The average headcount of employees (including senior management team) employed by the charity during the year was as follows:

| | 2020<br>No | 2019<br>No |
|---|---|---|
| Charitable activities | 54 | 44 |
| Fundraising and marketing | 7 | 8 |
| | 61 | 52 |

The number of employees whose emoluments fell within the following bands was:

| | 2020<br>No | 2019<br>No |
|---|---|---|
| £70,001 - £80,000 | 1 | 1 |

The total employee benefits of the key management personnel of the charity were £351,003 (2019 - £284,908).

## 12 Auditors' remuneration

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Audit of the financial statements | 3,500 | 5,000 |
| **Other fees to management accountants** | | |
| All other non-audit services - management accountants | 10,462 | 8,020 |

### 13 Taxation

The charity is a registered charity and as such is entitled to certain exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objectives.

### 14 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Motor vehicles £ | Total £ |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1 December 2019 | 7,259,826 | 231,191 | 328,809 | 7,819,826 |
| Additions | 95,519 | 18,448 | 20,568 | 134,535 |
| Disposals | - | (31,021) | - | (31,021) |
| At 30 November 2020 | 7,355,345 | 218,618 | 349,377 | 7,923,340 |
| **Depreciation** | | | | |
| At 1 December 2019 | 2,194,447 | 131,048 | 262,863 | 2,588,358 |
| Charge for the year | 139,434 | 43,723 | 29,562 | 212,719 |
| Eliminated on disposals | - | (31,021) | - | (31,021) |
| At 30 November 2020 | 2,333,881 | 143,750 | 292,425 | 2,770,056 |
| **Net book value** | | | | |
| At 30 November 2020 | 5,021,464 | 74,868 | 56,952 | 5,153,284 |
| At 30 November 2019 | 5,065,379 | 100,143 | 65,946 | 5,231,468 |

Included within the net book value of land and buildings above is £4,833,579 (2019 - £4,853,430) in respect of freehold land and buildings and £187,885 (2019 - £211,949) in respect of leaseholds.

**14 Tangible fixed assets (continued)**

**Revaluation of fixed assets**
The Trust occupies two freehold properties near Keswick, Cumbria named Little Crosthwaite and Old Windebrowe which were subject of a generous gift when the Trust was founded. The properties, when gifted, were subject to a restriction that should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity.

During 1989, the freehold properties were revalued by the trustees, subject to the above restriction, at the then estimated net realisable value of £990,000. The unrealised surplus on revaluation, which primarily reflects a fair value on the properties originally gifted and brought into the accounts at nil value, is included in the accounts as follows:-

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Unrealised surplus on revaluation | 353,205 | 353,205 |
| Less: Accumulated depreciation as at 30 November | (94,961) | (91,429) |
| | 258,244 | 261,776 |

The water centre has been part built on freehold land and part on leasehold land. It is not practical to attribute the build costs to each parcel of land and the costs are all included in freehold land and buildings. The lease on the leasehold is for 999 years and commenced on 29 March 2010.

Included in Land and Buildings is land at Little Crosthwaite, Under Skiddaw, Keswick (Title number CU259532). This title is subject to a charge dated 16 March 2010 by:

The Homes and Communities Agency, Renaissance House, Centre Park, Warrington, Cheshire, WA1 1XB and;

The English Sports Council, Third Floor, Victoria House, Bloomsbury Square, London, WC1B 4SE.

Also included within this Land and Buildings is land at Calvert Trust Stables, Keswick (Title Number CU264021). This is subject to a legal charge by The Charity Bank, 194 High Street, Tonbridge, Kent, TN9 1BE (Company Registration No 4330018).

Furniture and equipment are deemed to be disposed after six years.

## 15 Fixed asset investments

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Investments | 461,165 | 622,654 |

### Investments

| | Listed investments | Unlisted investments | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or Valuation** | | | |
| At 1 December 2019 | 622,653 | 1 | 622,654 |
| Revaluation | 331 | - | 331 |
| Additions | 566,458 | - | 566,458 |
| Disposals | (728,278) | - | (728,278) |
| At 30 November 2020 | 461,164 | 1 | 461,165 |
| **Net book value** | | | |
| At 30 November 2020 | 461,164 | 1 | 461,165 |
| At 30 November 2019 | 622,653 | 1 | 622,654 |

The total unrealised profits/(losses) for the year are £331 (2019: £48,562) and the total realised gains/(losses) are (£66,865) (2019: £Nil), resulting in a net gain/(loss) on investments of (£66,534) (2019: £48,562).

Share valuation is based on the Bid price as at the close of business on the valuation date.

## 16 Stock

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Stocks | 13,882 | 15,168 |

## 17 Debtors

| | 2020 £ | 2019 £ |
|---|---|---|
| Trade debtors | 9,689 | 21,248 |
| Prepayments | 11,165 | 41,731 |
| VAT recoverable | 1,449 | - |
| Other debtors | 73,405 | 199,968 |
| | 95,708 | 262,947 |

Other debtors includes legacies and other funding received after the year end.

## 18 Cash and cash equivalents

| | 2020 £ | 2019 £ |
|---|---|---|
| Cash at bank | 232,443 | 438,553 |

## 19 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|---|---|---|
| Trade creditors | 39,447 | 32,189 |
| Other taxation and social security | 14,929 | 20,301 |
| VAT payable | - | 1,056 |
| Other creditors | 9,341 | 1,520 |
| Accruals | 76,521 | 40,187 |
| Deferred income (see below) | 204,286 | 60,646 |
| | 344,524 | 155,899 |

Deferred income relates to customer payments made in advance and invoiced after the year end on the provision of the service or goods to the customer.

| | 2020 £ |
|---|---|
| Deferred income at 1 December 2019 | 60,646 |
| Resources deferred in the period | 168,505 |
| Amounts released from previous periods | (24,865) |
| Deferred income at 30 November 2020 | 204,286 |

## 20 Obligations under leases and hire purchase contracts

### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2020 £ | 2019 £ |
|---|---|---|
| **Land and buildings** | | |
| Within one year | 2,501 | 2,502 |
| Between one and five years | 7,504 | 10,004 |
| After five years | 35 | 36 |
| | 10,040 | 12,542 |

## 21 Pension and other schemes

### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £51,216 (2019 - £46,206).

Contributions totalling £6,105 (2019 - £Nil) were payable to the scheme at the end of the year and are included in creditors.

| 22 Funds | Balance at 1 December 2019 £ | Income £ | Expenditure £ | Transfers £ | Other recognised (losses)/gains £ | Balance at 30 November 2020 £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| ***General*** | | | | | | |
| General Funds | 92,881 | 1,017,683 | (1,636,955) | 904,056 | (66,534) | 311,131 |
| ***Designated*** | | | | | | |
| Trustees' Contingency Reserve | 580,000 | - | - | (580,000) | - | - |
| Fixed Asset Reserve | 4,969,692 | - | (212,719) | 138,067 | - | 4,895,040 |
| Revaluation Reserve | 261,776 | - | - | (3,532) | - | 258,244 |
| Development and Improvement Reserve | 40,635 | - | (10,661) | (16,345) | - | 13,629 |
| | 5,852,103 | - | (223,380) | (461,810) | - | 5,166,913 |
| **Total Unrestricted funds** | 5,944,984 | 1,017,683 | (1,860,335) | 442,246 | (66,534) | 5,478,044 |
| **Restricted funds** | | | | | | |
| Friends of Calvert Trust | 36,235 | 21,071 | (3,947) | (53,359) | - | - |
| Special Enabling Fund | 62,495 | 44,228 | - | (16,514) | - | 90,209 |
| Restricted Donations Fund | 31,229 | 43,245 | (7,101) | (23,668) | - | 43,705 |
| Calvert Reconnections Project Fund | 339,948 | 8,757 | - | (348,705) | - | - |
| **Total restricted funds** | 469,907 | 117,301 | (11,048) | (442,246) | - | 133,914 |
| **Total funds** | 6,414,891 | 1,134,984 | (1,871,383) | - | (66,534) | 5,611,958 |

| 22 Funds (continued)<br>Comparative figures | Balance at 1 December 2018<br>£ | Incoming resources<br>£ | Resources expended<br>£ | Transfers<br>£ | Other recognised gains/(losses)<br>£ | Balance at 30 November 2019<br>£ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| ***General*** | | | | | | |
| General Funds | 78,815 | 1,445,966 | (1,520,759) | 40,297 | 48,562 | 92,881 |
| ***Designated*** | | | | | | |
| Trustees' Contingency Reserve | 565,000 | - | - | 15,000 | - | 580,000 |
| Fixed Asset Reserve | 4,435,655 | - | (212,916) | 746,953 | - | 4,969,692 |
| Revaluation Reserve | 265,308 | - | - | (3,532) | - | 261,776 |
| Calvert Reconnections Project Fund | 16,413 | - | - | (16,413) | - | - |
| Development and Improvement Reserve | 72,000 | - | (127) | (31,238) | - | 40,635 |
| | 5,354,376 | - | (213,043) | 710,770 | - | 5,852,103 |
| **Total unrestricted funds** | 5,433,191 | 1,445,966 | (1,733,802) | 751,067 | 48,562 | 5,944,984 |
| **Restricted funds** | | | | | | |
| Friends of Calvert Trust | 18,940 | 17,295 | - | - | - | 36,235 |
| Special Enabling Fund | 53,234 | 83,126 | - | (73,865) | - | 62,495 |
| Restricted Donations Fund | 27,964 | 51,892 | (40,830) | (7,797) | - | 31,229 |
| Calvert Reconnections Project Fund | 100 | 1,154,988 | (145,735) | (669,405) | - | 339,948 |
| **Total restricted funds** | 100,238 | 1,307,301 | (186,565) | (751,067) | - | 469,907 |
| **Total funds** | 5,533,429 | 2,753,267 | (1,920,367) | - | 48,562 | 6,414,891 |

**22 Funds (continued)**

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

**Trustees' Contingency Reserve**

The trustees consider that reserves should be set aside to cover uninsurable contingencies such as losses resulting from having to close either the Calvert Lakes centre, Calvert Reconnections centre or the Calvert Stables for unforeseeable reasons. As a result of the Coronavirus crisis the Trustees' Contingency Reserve has been utilised during the year, in keeping with this purpose. At the year end the remaining balance has been transferred to General Funds in order to support recovery from the ongoing crisis.

The trustees' ambition is to rebuild the Trustees' Contingency Reserve in order to provide around six month's un-adjustable expenditure. Whereas it was not previously considered likely that a single risk would result in the closure of all of the Trust's facilities, the Coronavirus crisis has proved that this is now a significant hazard to be managed. The level of reserve required to provide for a 6 month contingency fund has therefore been recalculated to be £960,000 at April 2021. The reserves policy will be reviewed during 2021 as part of the Trust undertaking a lessons learnt exercise from the pandemic.

Both the policy and the balance are reviewed annually.

**Fixed Asset Reserve, Revaluation Reserve and General Funds**

The trustees have established these funds to clarify to users of the accounts the amount of reserves that are tied up in Fixed Assets and Revaluation Reserve. Transfers shown from the Fixed Assets Reserve and other funds reflect the purchases of assets now used in the general purposes of the Charity. This in turn helps clarify to users of the accounts the level of general funds.

**Development & Improvement Reserve**

This reserve has been established in order that trustees can designate funds to use for identified projects that are considered above and beyond normal operating expenditure. The reserve will normally be funded through unexpected 'windfall' income such as legacy gifts in excess of annual forecasts or unplanned operational surpluses and taken from General Funds. The identified projects requiring funding in 2021 include completing works to improve the Trust's private water supply at Calvert Lakes (£5,310) as well as improvements to the Trust's internet connection and IT infrastructure across the charity (£10,000).

**Friends of Calvert Trust**

The independent charity raises funds for purposes specified to assist The Lake District Calvert Trust. Transfers from this fund represent contributions towards qualifying expenditure which is not presented as direct expenditure, such as contributions towards capital items.

In response to the Coronavirus crisis the Friends of Calvert Trust (Lake District) de-restricted their funds in order to provide unrestricted funds to support the Trust's ongoing costs through the crisis. At the year end the balance of funds was transferred to General Funds.

**22 Funds (continued)**

**Special Enabling Fund**

The trustees' policy is, as far as possible, to make charges to our visitors that reflect the cost of running the centre, excluding costs of depreciation and irrecoverable VAT. The Special Enabling Fund contains funds, both donated directly and transferred from General Funds, which have been earmarked to provide limited financial assistance to visitors, both individual and groups, who would otherwise not be able to afford to visit the centre. This assistance is offered at the discretion of the Centre Director.

**Restricted Donations Fund**

This fund accounts for monies donated for specific expenditure. Transfers from this fund represent contributions towards qualifying expenditure which is not presented as direct expenditure, such as contributions towards capital items.

**Calvert Reconnections Project Fund**

The trustees established this fund as part of the development of a specific programme to support people with an acquired brain injury (ABI) or other associated neurological conditions. The project benefitted from the net contribution from our Go Herdwick public fundraising event which culminated in 2016 together with monies directly donated to the fund. The Calvert Reconnections Project Fund was previously known and included under the name of ABI Project Fund.

With the delay to opening Calvert Reconnections caused by the Coronavirus crisis the remaining funds have been utilised during 2020 supporting the ongoing costs of maintaining the centre and staff teams. The ambition going forwards is to open the new service in June 2021 and for Calvert Reconnections to become self-funding within 12 months with the initial deficit being funded from donations and General Funds.

## 23 Analysis of net assets between funds

| | Unrestricted funds | | Restricted funds | Total funds 2020 |
|---|---|---|---|---|
| | General £ | Designated £ | £ | £ |
| Tangible fixed assets | - | 5,153,284 | - | 5,153,284 |
| Fixed asset investments | 461,165 | - | - | 461,165 |
| Current assets | 177,512 | 15,310 | 149,211 | 342,033 |
| Current liabilities | (327,546) | (1,681) | (15,297) | (344,524) |
| Total net assets | 311,131 | 5,166,913 | 133,914 | 5,611,958 |

| | Unrestricted funds | | Restricted funds | Total funds 2019 |
|---|---|---|---|---|
| | General £ | Designated £ | £ | £ |
| Tangible fixed assets | - | 5,231,468 | - | 5,231,468 |
| Fixed asset investments | 2,019 | 620,635 | - | 622,654 |
| Current assets | 246,761 | - | 469,907 | 716,668 |
| Current liabilities | (155,899) | - | - | (155,899) |
| Total net assets | 92,881 | 5,852,103 | 469,907 | 6,414,891 |

## 24 Analysis of net funds

| | At 1 December 2019 £ | Cash flow £ | At 30 November 2020 £ |
|---|---|---|---|
| Cash at bank and in hand | 438,553 | (206,110) | 232,443 |
| | 438,553 | (206,110) | 232,443 |

| | At 1 December 2018 £ | Cash flow £ | At 30 November 2019 £ |
|---|---|---|---|
| Cash at bank and in hand | 288,669 | 149,884 | 438,553 |
| | 288,669 | 149,884 | 438,553 |

All funds received for restrictive and designated purposes are included in the above funds.

## 25 Financial instruments

### Categorisation of financial instruments

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Financial Assets measured at fair value | 461,164 | 622,653 |

## 26 Related party transactions

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

**James Fryer-Spedding - Trustee**
The trust paid rent to James Fryer-Spedding, trustee amounting to £6,253 (2019 - £3,221) during the year. The rents paid are below market value. James Fryer-Spedding made donations to the charity during the year of £5,000 (2019 - £1,000). At the balance sheet date the amount due to/from to James Fryer-Spedding - Trustee was £Nil (2019 - £625).

**The Calvert Trust Council**
The Trust makes contributions to the The Calvert Trust Council, a charity that guides and coordinates the work of the Trust and the Northumbria and Exmoor Calvert Trusts. The contributions are towards the costs of the fundraising projects and a management committee that are coordinated by The Calvert Trust Council. During the year, the Trust contributed £Nil (2019 - £2,081) towards the Calvert Trust Council's fundraising costs. During the year the Calvert Trust Council made a donation to the Charity of £Nil (2019 - £10,000). At the balance sheet date the amount due to/from The Calvert Trust Council was £Nil (2019 - £Nil).

## The Lake District Calvert Trust

**Appendix 1: Grants and donations received for the year ended 30th November 2020**

The Lake District Calvert Trust would like to express our thanks to the following organisations for their support throughout the year. It is only through their continued support along with the generous personal support from countless individuals and volunteers that enables the Trust to provide so many life changing experiences.

29th May 1961 Charitable Trust
Accrington Rotary Club
Allerdale Borough Council
Armstrong Watson
Baily Thomas Charitable Fund
Bendles Solicitors LLP
British Equestrian Federation
Bruce Wake Charity
Bryan Lancaster Trust
Cartmell Shepherd Solicitors
Cockermouth Rotary Club
Cumbria Community Foundation
Dalton Mothers Union
Darwen Rotary Club
David Allen
Eaton Safety Ltd
Edward and Dorothy Cadbury Trust
Egremont Rugby Union Football Club
Emerton-Christie Charity
Enesco Ltd
Garfield Weston Foundation
Genesis Homes (North) Ltd
Go Ape Whinlatter
Hakere Trust
Harrison Drury & Co. Ltd
J Balchin & Son
Kendal Nutrcare Ltd
Keswick Bridge Owners Club Ltd
Lakeland Events Comunity Investment Co. Ltd
Lakeland Trails Ltd
Moore & Smalley Chartered Accountants
Naturvival
Nazca Consulting Ltd
P F Charitable Trust
Pemberton-Barnes Trust
Penrith & District Soroptimists
Penrith Young Farmers Club
R.O.Y.A.D
Rathbone Brother Plc
Rochdale Charities Trust
Rotary Club of Ambleside
Rotary Club of Ampthill & District
Rotary Club of Appleby
Rotary Club of Ashby de la Zouch
Rotary Club of Bassenthwaite
Rotary Club of Bourne
Rotary Club of Clitheroe
Rotary Club of Kettering
Rotary Club of Lancaster Loyne
Rotary Club of Northampton Becket
Rotary Club of Ramsay
Rotary Club of Rushden
Rotary Club of Rushden Chichele
Rotary Club of Shipley
Rotary Club of South Holland
Rotary Club of Spalding & Welland
Rotary Club of Ulverston
Rotary Club of Whitehaven
Sheila Fisher Dec'd Discretionary Trust
Sport England
St Bega Charitable Trust
Storm2 Ltd
The Adamson Trust
The Bernard Sunley Charitable Foundation
The British Horse Society
The Childwick Trust
The Chrimes Family Charitable Trust
The D'Oyly Carte Charitable Trust
The Douglas Morris Charitable Trust
The Dowager Countess Eleanor Peel Trust
The EBM Charitable Trust
The Gruesomes
The John Ashlin Cutforth Charitable Trust
The National Lottery Community Fund
The Northwick Trust
The O'Sullivan Family Charitable Trust
The Rank Foundation
The Red Rose Charitable Trust
The Roselands Trust
The Sir James Reckitt Charity
W.E. Dunn Trust
Wainwright Society
West Cumberland Orienteering Club
White Stuff Keswick & White Stuff Foundation
Whitehaven Castle Rotary Club
Wild Zucchinis Bistro