

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



THE LAKE DISTRICT CALVERT TRUST

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THE LAKE DISTRICT CALVERT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

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|---------------------------------|--|------------------------------|
| 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 | |
| Secretary | Anne L Dunn | |
| | David G Brown | (Appointed 25 November 2022) |
| | Hannah Richardson | (Appointed 27 February 2023) |
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| Other Officers | Sean Day, Centre Director | |
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| Principal Office | Little Crosthwaite | |
| | Underskiddaw | |
| | Keswick | |
| | Cumbria | |
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| Auditor | David Allen | |
| | Chartered Accountants and Statutory Auditors | |
| | Dalmar House | |
| | Barras Lane Estate | |
| | Dalston | |
| | Carlisle | |
| | Cumbria | |
| | CA5 7NY | |
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THE LAKE DISTRICT CALVERT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Barclays Bank plc
Keswick Branch
Market Square
Keswick
Cumbria
CA12 5BE

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Investment Advisors

Sarasin and Partners LLP
Juxon House
100 St. Paul's Churchyard
London
EC4M 8BU

THE LAKE DISTRICT CALVERT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

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

THE LAKE DISTRICT CALVERT TRUST

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 LAKE DISTRICT CALVERT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

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

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

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

FOR THE YEAR ENDED 30 NOVEMBER 2022

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 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.

THE LAKE DISTRICT CALVERT TRUST

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

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

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

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

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

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

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

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

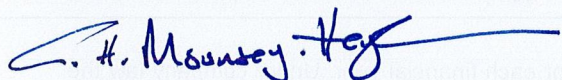
David Allen Chartered Accountants, have signified their willingness to remain in office as auditors and a resolution re-appointing them will be proposed at the Annual General Meeting.

THE LAKE DISTRICT CALVERT TRUST

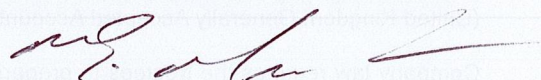
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

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.

THE LAKE DISTRICT CALVERT TRUST

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.

THE LAKE DISTRICT CALVERT TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE LAKE DISTRICT CALVERT TRUST

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 company 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.

THE LAKE DISTRICT CALVERT TRUST

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

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

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 £ | £ | 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 |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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 (installations) | 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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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 |
| | <u>693,110</u> | <u>55,456</u> | <u>748,566</u> | <u>1,708,141</u> |

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 |
| | <u>1,377,260</u> | <u>751,697</u> |

5 Investment income

| | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|--|------------------------------------|------------------------------------|
| Dividends receivable from listed investments | 13,947 | 6,701 |
| Interest receivable | 513 | 1,025 |
| | <u>14,460</u> | <u>7,726</u> |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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 |
| | <hr/> | <hr/> |
| Costs of generating donations and legacies | 125,737 | 102,950 |
| | <hr/> | <hr/> |
| Investment management | 3,746 | 2,019 |
| | <hr/> | <hr/> |
| | 129,483 | 104,969 |
| | <hr/> | <hr/> |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

| 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 |
| | <u>2,632,580</u> | <u>128,657</u> | <u>2,761,237</u> | <u>2,079,893</u> |
| Share of governance costs (see note 10) | 18,625 | - | 18,625 | 17,443 |
| | <u>2,651,205</u> | <u>128,657</u> | <u>2,779,862</u> | <u>2,097,336</u> |
| 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 |
| | <u>2,651,205</u> | <u>128,657</u> | <u>2,779,862</u> | <u>2,097,336</u> |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

| 9 Support costs allocated to charitable activities | | | | | | |
|--|--------------------|------------------|---------------------------|---------------------|--------------------------|--------------------|
| | Finance costs £ | Staff costs £ | Administration costs £ | Premises costs £ | Other support costs £ | Total 2022 £ |
| Centre activity fees | 15,886 | 109,208 | 34,438 | 174,885 | 62,448 | 396,865 |
| Marketing costs | - | 76,559 | - | - | 52,098 | 128,657 |
| | <u>15,886</u> | <u>185,767</u> | <u>34,438</u> | <u>174,885</u> | <u>114,546</u> | <u>525,522</u> |
| | | | | | | <u>374,213</u> |
| | | | | | | <u>290,522</u> |
| | | | | | | <u>83,691</u> |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

10 Governance costs

| | 2022 £ | 2021 £ |
|-----------------------------|---------------|---------------|
| Audit fees | 5,800 | 5,600 |
| Management accountants fees | 12,825 | 11,843 |
| | <u>18,625</u> | <u>17,443</u> |

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 |
| | <u>282,066</u> | <u>262,261</u> |

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 |
| | <u>12,825</u> | <u>11,843</u> |

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 Number | 2021 Number |
|---------------------------|----------------|----------------|
| Charitable activities | 62 | 56 |
| Fundraising and marketing | 7 | 6 |
| Total | <u>69</u> | <u>62</u> |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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 |
| | <u>1,775,739</u> | <u>1,308,477</u> |

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

| | 2022 Number | 2021 Number |
|-------------------|----------------|----------------|
| £70,001 - £80,000 | <u>1</u> | <u>1</u> |

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 | <u>2,155</u> | <u>7</u> |
| Net gain/ (loss) on investments | <u>(27,203)</u> | <u>3,806</u> |

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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

| 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 |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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) |
| | <u>251,180</u> | <u>254,712</u> |

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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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) |
| | <u>390,886</u> | <u>3</u> | <u>390,889</u> |
| Carrying amount | | | |
| At 30 November 2022 | <u>390,886</u> | <u>3</u> | <u>390,889</u> |
| At 30 November 2021 | <u>469,857</u> | <u>399,865</u> | <u>869,722</u> |

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 | <u>390,886</u> | <u>469,857</u> |

20 Stocks

| | 2022 £ | 2021 £ |
|--------|---------------|---------------|
| Stocks | <u>13,268</u> | <u>13,526</u> |

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 |
| | <u>543,891</u> | <u>122,340</u> |

Other debtors includes legacies receivable after the year end. Other debtors in 2021 included legacies and other funding receivable after the year end.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

22 Loans and overdrafts

| | 2022 £ | 2021 £ |
|-------------------------|----------------|---------------|
| Bank loans | 86,693 | 99,200 |
| Other loans | 300,000 | - |
| | <u>386,693</u> | <u>99,200</u> |
| Payable within one year | 20,000 | 13,333 |
| Payable after one year | <u>366,693</u> | <u>85,867</u> |

Amounts included above which fall due after five years:

| | | |
|-----------------------------------|----------------|----------|
| Payable other than by instalments | <u>300,000</u> | <u>-</u> |
|-----------------------------------|----------------|----------|

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 |
| | | <u>382,354</u> | <u>367,687</u> |

24 Creditors: amounts falling due after more than one year

| | Notes | 2022 £ | 2021 £ |
|------------------|-------|----------------|---------------|
| Bank loans | 22 | 66,693 | 85,867 |
| Other borrowings | | 300,000 | - |
| | | <u>366,693</u> | <u>85,867</u> |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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 |
| | <u>157,802</u> | <u>186,879</u> |
| Deferred income at 30 November 2022 | <u>157,802</u> | <u>186,879</u> |

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 |
| | <u>5,038</u> | <u>7,539</u> |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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:

| | Balance at 1 December 2020 £ | Movement in funds 2020-21 | | | Movement in funds 2021-22 | | | Balance at 30 November 2022 £ |
|---------------------------|---------------------------------------|----------------------------|----------------------------|------------------|----------------------------|----------------------------|------------------|--|
| | | Incoming resources £ | Resources expended £ | Transfers £ | Incoming resources £ | Resources expended £ | Transfers £ | |
| Friends of Calvert Trust | - | 20,000 | - | - | 22,000 | - | - | 42,000 |
| Special Enabling Fund | 90,209 | 26,500 | - | (42,002) | 27,231 | - | (73,701) | 28,237 |
| Restricted Donations Fund | 43,705 | 228,208 | (56,067) | (113,737) | 6,225 | (11,411) | (51,793) | 45,130 |
| | <u>133,914</u> | <u>274,708</u> | <u>(56,067)</u> | <u>(155,739)</u> | <u>55,456</u> | <u>(11,411)</u> | <u>(125,494)</u> | <u>115,367</u> |

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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2022

| | | |
|----|--|-------------|
| 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. | |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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:

| | Balance at 1 December 2020 £ | Movement in funds 2020-21 | | | | Balance at 1 December 2021 £ | Movement in funds 2021-22 | | | | Balance at 30 November 2022 £ |
|-------------------------|---------------------------------------|----------------------------|----------------------------|----------------|---|---------------------------------------|----------------------------|----------------------------|----------------|---|--|
| | | Incoming resources £ | Resources expended £ | Transfers £ | Revaluations, gains and losses £ | | Incoming resources £ | Resources expended £ | Transfers £ | Revaluations, gains and losses £ | |
| 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 |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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

Fund balances at 30 November 2022 are represented by:

| | Unrestricted funds 2022 | Designated funds 2022 | Restricted funds 2022 | Total 2022 | Unrestricted funds 2021 | Designated funds 2021 | Restricted funds 2021 | Total 2021 |
|------------------------------|----------------------------|--------------------------|--------------------------|---------------|----------------------------|--------------------------|--------------------------|---------------|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| 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 |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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)/surplus 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 |

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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) |
| | <u>396,723</u> | <u>(575,944)</u> | <u>(179,221)</u> |

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 | Mothers' Union, Staveley & Kentmere |
| Anabasis Mountaineering Club | New Balance UK Ltd |
| Armstrong Watson | Newcastle Building Society Community Foundation |
| Beechwood Trust | Oakmere Homes |
| Bramhall Runners | OEE Container Technology Ltd |
| Brian Shaw Memorial Trust | Original Cottages |
| Cartmel Racecourse | P F Charitable Trust |
| Catenian Association | Paragon Veterinary Group |
| Chapman Charitable Trust | Pioneer Food Services |
| Cumbria Community Foundation | Probus, Border City |
| D & H E W Gaunt Charitable Settlement | Probus, Penrith & District |
| David Allen | Prospect Village Hall Lunch Club |
| Derwent Ladies NFU Club | Quakers, Carlisle |
| Derwentwater Holiday Home Owners Association | Quakers, Penrith |
| Detangled Digital Ltd | Quintessa Ltd |
| Dobies Charitable Trust | RBC Europe Limited |
| Doris Field Charitable Trust | Reisser Ltd |
| Edwin Thompson LLP | Robert Luff Foundation Ltd |
| Egremont RUFC | Rochdale Charitable Trust |
| Eleanor Rathbone Charitable Trust | Rotary Club of Bradford |
| Enjoy Your Leisure | Rotary Club of Kirkham & Rural Fylde |
| Family Business Network Ltd | Rotary Club of Wigton |
| Freemasons, Derwentwater Lodge | Sainsbury's Cockermouth |
| Friends of Calvert Trust (Lake District) | Sarasin & Partners LLP |
| Future Horizons Leeds | Scaleby & District Flower Club |
| GLL (Carlisle & Allerdale Leisure Centres) | Scottish Midland Co-operative Society |
| Gosforth Masonic Lodge | Sellafield Ltd |
| Greysouthen Village Hall | Sir James Reckitt Charity |
| Harold & Alice Bridges Charity | Soroptimist, Cockermouth & District |
| High Hesketh CE School, Primary | St Andrew's Church, Penrith |
| Hugh Fraser Foundation | St Bega Charitable Trust |
| ITV Ralph & Katie Ltd | The Charles Godwin Foundation |
| John Hainsworth Bates Charitable Trust | The Dowager Countess Eleanor Peel Trust |
| Keswick Area Hound Trailing Association | The Gruesomes |
| Keswick Bridge Owners Club Ltd | The Hospital Saturday Fund |
| Keswick Methodist Church | The Pastest Charitable Trust |
| Lakeland 100 | The Pemberton-Barnes Trust |
| Lakeland Disability Support | The Pom Charitable Trust |
| Lakeland Trails Ltd | The Red Rose Charitable Trust |
| LGA Foundation | The Roger & Douglas Turner C. Trust |
| Lingholm Estate | Thursday Lunch Club, Keswick |
| Liverpool Football Club Foundation | Wainwright Society |
| Mansergh Community Hall | Weatherall Foundation Trust |
| Mason Gillibrand Architects | Women's Institute, Caldbeck |
| Monday Munch Club | Women's Institute, Cockermouth |
| Mothers' Union, Holme & Burton | Women's Institute, Gamblesby & District |
| Mother's Union, Ings | Women's Institute, Nateby & Wharton |
| Mothers Union, Penrith | Women's Institute, Rosley |
