

Charity Registration No. 288070

Company Registration No. 01714560 (England and Wales)

**KEHELLAND HORTICULTURAL CENTRE LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	S L Pyner P P Rapo H Bryant S W Wallace D J King J M Browning M Thompson I H Smith
<b>Secretary</b>	S L Pyner
<b>Charity number</b>	288070
<b>Company number</b>	01714560
<b>Registered office</b>	Kehelland Camborne Cornwall United Kingdom TR14 0DD
<b>Independent examiner</b>	Matthew Webb Azets Audit Services Unit A, Woodlands Court Truro Business Park Truro Cornwall United Kingdom TR4 9NH
<b>Bankers</b>	Barclays 28 Chapel Street Camborne Cornwall United Kingdom TR14 8EL
<b>Solicitors</b>	Walters and Barbary 18 Bassett Road Camborne Cornwall United Kingdom TR14 8SG

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# KEHELLAND HORTICULTURAL CENTRE LIMITED

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# **KEHELLAND HORTICULTURAL CENTRE LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

The Directors of Kehelland Trust, Staff and Volunteers continue to be committed to the charity's mission statement:-

"The provision of a rural, horticultural setting for the support of young people and adults with learning and/or physical disabilities. Developing personal and social skills, individual opportunities and active participation in the local Community"

Adhering to the Trust's mission statement, the company was incorporated in 1983. Since standing alone as a charity in 2011, Kehelland Trust has maintained close and positive partnerships with Cornwall Council and the department of Adult Social Care, as well as forming relationships and partnerships with education providers such as Cornwall Adult Education, V Learning Network and Careers Southwest. The Trust is also now a registered training provider with OCN London.

The focus this financial year has been to continue to maintain our service as best as possible and diversify services to meet organisational and individual needs.

The charity has faced extreme difficulties in the light of the Sars Cov-2 Pandemic and the challenges this has brought. We have successfully navigated guidance from the government and from our key funders. Our priority at all times has been to operate in a safe and secure manner for all our trainees, learners & staff, whilst effectively delivering services. This was made even more challenging as the site has had to close twice due to lockdowns.

Our thanks to all the staff, trainees, carers, volunteers, and partners who have demonstrated that a flexible and adaptable approach can help us overcome obstacles over this past year. We have continued to fulfill our mission statement, maintain a cohesive and ever-growing team managing both horticultural support work and day care provision and our own education programmes alongside supporting the immediate community.

# **KEHELLAND HORTICULTURAL CENTRE LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Achievements and performance**

##### **Over the past year we have:-**

- We have operated in a safe and secure manner at all times, following guidance provided by central and local government in response to the Sars Cov-2 pandemic.
- Provided support for 65 trainees on individual budgets.
- Secured funding for two education programmes for our post 25 learners.
- We have secured funding to increase our learner numbers from 14-26 to support young adults aged 16-25 who have an Education Healthcare plan. This programme develops training and support opportunities for young people and those in transition from education to employment. We have invested heavily in the staff team to ensure our education provision is exemplary.
- Continued developments in the classroom areas and IT network to ensure efficient use of all resources and a professional image.
- Maintained and enhanced our 16-acre site.
- Improved our visibility on the web and social media.
- Continued to celebrate & enhance our brand image to provide a clear message about who we are and what we do without restricting our potential to expand.
- Reduced wastage on site, fully utilising our produce wherever possible resulting in improved profitability.
- Enhanced & developed our online 'click and collect' grocery and vegetable box scheme. This directly supported our immediate Community during lockdowns and beyond. We have been able to maintain a healthy business focus at a time when we retail was facing huge challenges and our site had to close to service-users and students.
- Signed up to an online sales platform via the Open Food Network which has given us a professional online shop front and has resulted in increased sales, more accurate stock control and diversity of stock. It has also allowed us to offer our fresh produce to other hubs such as Helston.
- Maintained as much partnership working as possible during lockdowns and restrictions imposed because of Covid 19. Camborne Produce Market, Redruth Market, Penny's Tearooms have all had closure during this time but were bouncing back towards the end of the financial year. Our partnership with Cornish Food Box Company continues in supply of fresh produce, but their shop has been sold and we have yet to make contact with the new owners.
- Successfully launched a range of local provenance, native perennial wildflower stock which we will be selling during 2021/22.
- Continued towards peat, chemical & single-use-plastic free working methods. Converting to a no-dig approach to the land across site to further improve our biodiversity.
- Secured the National Dahlia Collection on site: 1700 cultivars & 22 species dahlias will be on show to the public and will provide a wonderful resource for the team.

# **KEHELLAND HORTICULTURAL CENTRE LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **What do we need to focus on for 2021/2022?**

- At the end of the financial year, the ongoing impact of the Covid 19 pandemic remains uncertain, but as a board of Trustees we are committed to supporting the charity through this time and continue to ensure that there is minimum disruption to the business, service users and learners.
- To continue to monitor government guidelines in relation to the pandemic and respond as necessary.
- All our events for 2021 have been cancelled again due to the uncertainty around the pandemic which will have an impact on our fundraising budget.
- Some weddings are booked to take place, albeit on a smaller scale than usual.
- The provision of care and support services will continue as best as possible to ensure full capacity; 30 clients every day and a minimum of 10 students on our education programme. The Trust currently has 65 clients on the books, an average of 30 placements per day.
- Full support for the enhancement and improvement of the charity's education offers, both in terms of improvements to existing buildings and the support for new builds on site.
- Continue to develop our education programmes to ensure they meet the highest standards and are as accessible as possible for those wanting to access our site.
- Continue to build on our existing marketing strategy and our presence on the worldwide web and social media networks.
- Maintain sales and resultant profits, which support and uphold our care provision.
- Continue to develop our online sales presence to enable customers to access our products when they cannot access our site.
- Continue to develop our native plant growing programme to support re-wilding and pollinator projects across the County.
- Market our education programmes to ensure we have full capacity of delivery for 2021/2022.
- Continue to grasp opportunities across funding streams, educational provision and life-skills support for all those we work with and want to work with into the future.
- Continue to nurture positive business partnerships.
- Whenever it is safe to do so, offer the site for partnership ventures, weddings, corporate and private functions.
- Develop a corporate sponsorship scheme.
- Further invest in site enhancement and maintenance.

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Reasons to celebrate at the turn of the financial year

- We have broken the £0.8million mark in terms of our turnover. Brilliant results in an environment that has been so challenging and without losing sight of our vision and mission statement, or decreasing the bottom line. However, investment is needed to keep the site looking and working at its best and this will be visible in the coming year.
- We continue to work under Cornwall Council's Framework for our day-care facilities. This has a far-reaching impact; not only on our accessibility, but on the levels of care we can provide.
- Our Education Provision continues to grow. 11 learners joining us in September on the 'Achieve' programme, 5 learners on our year 2 "Advance" programme and 7 moving on to our "Succeed" programme, thanks to subcontracts with Adult Education and V Learning Network. Although some of the academic year had to switch to online delivery for a while, all learners have succeeded in completing their accredited courses.
- Our staff team continues to develop, both to facilitate growth, ensure exemplary education programmes & day-care support.
- Our Centre Manager, Anthea Hedge is now CEO. We have recruited Harriet Coleman, Caroline Sharpe, Holly Cockburn, Justin Jones, Jamie Hedge and Chris Harper as ALS to support the learners on our Achieve programme. Bonnie Davis also joined us as Day Service Admin to provide much needed support for the day service team and Neil Humbles has joined us as weekend horticultural worker providing essential out of hours horticultural support.
- The Trust have been successful in their planning application to erect a new building on site. This will house 2 new classrooms, office space, meeting room, staff room & toilets and reception area. The priority will be to allocate restricted funds towards this building work and seek the necessary funding to ensure it is completed.

The Board of Trustees would like to thank the whole team at Kehelland Trust for showing extraordinary adaptability and dedication to the work of the charity, to each other, the trainees, learners, families, and volunteers. It has been a challenging year which we have faced confidently & positively. We can be assured that Kehelland Trust will continue to provide exemplary care, support & educational opportunities for young people and adults with disabilities in Cornwall; all set within the stunning backdrop of 16 acres of productive land, rich in both managed crops & wildlife providing both sustenance and sanctuary.

### Financial review

Incoming resources of £896,668 (2020: £696,563) and outgoing resources of £783,387 (2020: £633,524). An overall excess income over expenditure of £113,281 (2020: £63,039).

Our main expenditure continues to be staff salaries in order to maintain a skilled and experienced staff team that can support the changing needs of our service users and the diversification of services / business development needed.

### Reserves policy

The Board of Trustees recognises that in order that the Charity may fulfil its objectives, it requires adequate liquid reserves to finance its charitable activities. It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The target is £196,000 to £391,000 in free reserves. At 31 March 2021 the total funds held by the charity were £430,537 (2020: £317,256). After excluding tangible fixed assets of £48,265 the free reserves balance is £382,272 which is in line with the target.

Over the last 4 years, Kehelland Trust has been pulling back from a large deficit, steadily and with purpose and this is clearly visible from the financial statements.

Investment in staff has continued to account for our highest costs, but has had the highest return. Maintaining a highly skilled and experienced staff team has enabled us to support the changing needs of our service users and diversification of services/business development.

# KEHELLAND HORTICULTURAL CENTRE LIMITED

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

### FOR THE YEAR ENDED 31 MARCH 2021

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The trustees assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Structure, governance and management**

The organisation is a Charitable Company limited by guarantee, incorporated on 13th April 1983 and registered as a charity on 20 January 1984.

The company was established under a Memorandum of Association, which established the objects and powers of the Charitable Company and is governed under its Articles of Association.

The requirement for an Audit of the financial statements has been removed in the revised Articles of Associations dated 4 September 2009, unless the Charity exceeds the audit thresholds as set out by the Charity Commission.

Business and Management are driven by the Mission Statement as noted under 'Objectives and activities'.

The Charity trades as Kehelland Trust.

The Board of Trustees continues to govern the charity in a positive and solution-focused way. We are still looking to recruit new members. Please get in touch with us if you would like to form part of the group of people that help direct the Trust and keep it secure into the future.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

S L Pyner  
P P Rapo  
H Bryant  
S W Wallace  
D J King  
J M Browning  
M Thompson  
I H Smith

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £5 in the event of a winding up.

#### **Public benefit**

The Trustees consider that they have complied with their duty in section 17 (5) of the Charities Act 2011, which requires them to have due regard to guidance published by the Charities Commission.

#### **Organisational structure**

The Company is managed by a Board of Trustees; the members of which discharge the functions of a Board of Directors. The number of Trustee seats on the Board must be no less than 3. The Trustees are as stated above and are unremunerated. Induction procedures are in place for newly appointed Trustees, with DBS checks and references requested and recorded.

During the report period the Board of Trustees met at approximately 8 weekly intervals to receive reports from the Centre Manager and make decisions. Key Performance Indicators, Risk Registers, Finance Reports and staff structure updates formed the basis of meetings with the Centre Manager reporting to the board, making recommendations and the Board voting on decisions as necessary. Day-to-day management of the company is carried out by the Centre Manager and Team Leaders. The Manager keeps in touch with members of the board as appropriate.




# KEHELLAND HORTICULTURAL CENTRE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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The trustees' report was approved by the Board of Trustees.

  
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P P Rapo  
Trustee  
Dated: 27/1/22

# **KEHELLAND HORTICULTURAL CENTRE LIMITED**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2021***

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The trustees, who are also the directors of Kehelland Horticultural Centre Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 charity will continue in operation.

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

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF KEHELLAND HORTICULTURAL CENTRE LIMITED

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I report to the trustees on my examination of the financial statements of Kehelland Horticultural Centre Limited (the charity) for the year ended 31 March 2021.

#### Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Matthew Webb BA (Hons) BFP FCA  
Institute of Chartered Accountants in England and Wales  
Azets Audit Services  
Unit A, Woodlands Court  
Truro Business Park  
Truro  
Cornwall  
TR4 9NH  
United Kingdom

Dated: 31<sup>st</sup> January 2022

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<b><u>Income from:</u></b>			
Donations and legacies	2	77,219	12,678
Charitable activities	3	721,577	581,716
Other trading activities	4	97,406	100,984
Investments	5	466	1,185
<b>Total income</b>		<b>896,668</b>	<b>696,563</b>
<b><u>Expenditure on:</u></b>			
<u>Raising funds</u>			
Other trading activities		79,676	72,324
 <u>Charitable activities</u>			
Staff costs and charitable expenditure	6	703,711	561,200
<b>Total charitable expenditure</b>		<b>703,711</b>	<b>561,200</b>
<b>Total resources expended</b>		<b>783,387</b>	<b>633,524</b>
 <b>Net income for the year/ Net movement in funds</b>		<b>113,281</b>	<b>63,039</b>
 Fund balances at 1 April 2020		<b>317,256</b>	<b>254,217</b>
<b>Fund balances at 31 March 2021</b>		<b>430,537</b>	<b>317,256</b>

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.

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	10		48,265		49,872
<b>Current assets</b>					
Stocks	11	21,940		19,609	
Debtors	12	50,093		60,225	
Cash at bank and in hand		347,564		234,698	
		419,597		314,532	
<b>Creditors: amounts falling due within one year</b>	13	(37,325)		(47,148)	
Net current assets			382,272		267,384
<b>Total assets less current liabilities</b>			430,537		317,256
<b>Income funds</b>					
Unrestricted funds			430,537		317,256
			430,537		317,256

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 27/1/22

P.P. Rapo  
P P Rapo  
Trustee

Company Registration No. 01714560

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	17		127,113		62,224
<b>Investing activities</b>					
Purchase of tangible fixed assets		(14,713)		(13,717)	
Interest income received		466		1,185	
<b>Net cash used in investing activities</b>			(14,247)		(12,532)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			112,866		49,692
Cash and cash equivalents at beginning of year			234,698		185,006
<b>Cash and cash equivalents at end of year</b>			347,564		234,698

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **1 Accounting policies**

#### **Charity information**

Kehelland Horticultural Centre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Kehelland, Camborne, Cornwall, TR14 0DD, United Kingdom.

The company has no share capital. The liability of each member who has subscribed to the company's Memorandum & Articles of Association is limited in the event of a winding up to £5.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The financial statements have been prepared on the going concern basis. The Board has considered a period of twelve months from the date of approval of the financial statements and has a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. In making their assessment the directors have considered the impact of the ongoing COVID-19 pandemic on the charitable company's ability to continue as a going concern. There are no material uncertainties which may create significant doubt over the charitable company's ability to continue as a going concern.

#### **1.3 Charitable funds**

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

#### **1.4 Income**

Income is recognised when the charity 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 charity 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 charity 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.

Grant income including adult social care income from Cornwall County Council, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably.

Trading income is recognised when the goods or services have been provided, typically at the point of sale, or as services are performed.

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 1 Accounting policies

(Continued)

Interest income is recognised using the effective interest rate method

##### 1.5 Expenditure

Expenditure is accounted for an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The charity is partially exempt for VAT purposes due to the nature of its incoming resources. On a quarterly basis the VAT is attributed to the expenses to which it originated from.

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Freehold property	- Nil
Improvements to property	- 10% straight line
Fixtures and fittings	- 20% straight line
Office equipment	- 20% straight line
Motor vehicles	- 20% straight line
Payments to provisions of assets	- 20% straight line

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 net income/(expenditure) for the year.

##### 1.7 Impairment of fixed assets

At each reporting end date, the charity 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).

##### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

##### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



# KEHELLAND HORTICULTURAL CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Taxation

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

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	2,168	12,678
Government grants	75,051	-
	<u>77,219</u>	<u>12,678</u>

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 3 Charitable activities

	Personal Budgets 2021 £	Education Income 2021 £	Total 2021 £	Personal Budgets 2020 £	Education Income 2020 £	Total 2020 £
Adult social care	253,339	468,238	721,577	297,786	283,930	581,716

### 4 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Kitchen income	-	15,399
Shop income	95,631	82,571
Lettings income	1,775	3,014
Other trading activities	97,406	100,984

### 5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	466	1,185

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 6 Charitable activities

	Staff costs and charitable expenditure 2021 £	Staff costs and charitable expenditure 2020 £
Staff costs	588,301	488,596
Depreciation and impairment	16,320	13,639
Rates and water	524	1,602
Insurance	5,595	5,235
Light and heat	14,011	(27,720)
Telephone	1,138	1,081
Postage and stationery	2,622	4,181
Advertising	230	429
Travel and subsistence	-	683
Motor expenses	5,932	6,021
Rent	6,500	6,500
Uniform and protective clothing	1,889	2,281
Repairs and renewals	27,572	19,046
Cleaning and laundry	3,079	3,073
Staff training	2,865	3,319
Professional fees	7,031	11,440
Dance and other activities	889	8,368
Other charitable expenditure	7,889	4,856
	<u>692,387</u>	<u>552,630</u>
Share of support costs (see note 7)	8,159	5,415
Share of governance costs (see note 7)	3,165	3,155
	<u><u>703,711</u></u>	<u><u>561,200</u></u>

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Bank charges	2,058	-	2,058	1,935	-	1,935
IT support and broadband	4,628	-	4,628	2,149	-	2,149
Payroll services	1,473	-	1,473	1,331	-	1,331
Independent examination	-	1,350	1,350	-	800	800
Accountancy and bookkeeping	-	1,815	1,815	-	2,355	2,355
	<u>8,159</u>	<u>3,165</u>	<u>11,324</u>	<u>5,415</u>	<u>3,155</u>	<u>8,570</u>
Analysed between Charitable activities	<u>8,159</u>	<u>3,165</u>	<u>11,324</u>	<u>5,415</u>	<u>3,155</u>	<u>8,570</u>

Support costs are not attributable to a single activity but rather provide the organisational infrastructure that enables output activities to take place.

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits other than as disclosed in note 18, from the charity during the year ended 31 March 2021 nor for the year ended 31 March 2020.

### 9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>41</u>	<u>37</u>
<b>Employment costs</b>	<b>2021 £</b>	<b>2020 £</b>
Wages and salaries	552,886	459,288
Social security costs	26,752	22,357
Other pension costs	8,663	6,951
	<u>588,301</u>	<u>488,596</u>

No employees received emoluments in excess of £60,000.

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Tangible fixed assets		Freehold Improvements to property		Fixtures and fittings		Office Motor vehicles equipment		Payments to provisions of assets		Total	
	£	£	£	£	£	£	£	£	£	£	£
<b>Cost</b>											
At 1 April 2020	29,022	95,609	38,772	8,668	34,980	8,861	215,912				
Additions	-	14,713	-	-	-	-	14,713				
At 31 March 2021	29,022	110,322	38,772	8,668	34,980	8,861	230,625				
<b>Depreciation and impairment</b>											
At 1 April 2020	29,022	62,077	27,707	3,393	34,980	8,861	166,040				
Depreciation charged in the year	-	10,534	4,624	1,162	-	-	16,320				
At 31 March 2021	29,022	72,611	32,331	4,555	34,980	8,861	182,360				
<b>Carrying amount</b>											
At 31 March 2021	-	37,711	6,441	4,113	-	-	48,265				
At 31 March 2020	-	33,532	11,065	5,275	-	-	49,872				

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 10 Tangible fixed assets

(Continued)

#### Payments for Provision of Assets

##### i) Pre 1 April 1985

In order that the company may have the use of assets at a cost excluding VAT, certain assets were purchased by Cornwall Council utilising funds raised by the Company. Although the title of these assets remains with Cornwall Council, the Company understands that the Council will permit the assets to be treated as though the title vested with the Company.

##### ii) Post 1 April 1985

From 1 April 1985, when the company registered for VAT purposes, all assets have been purchased through the company and title rests with the company.

### 11 Stocks

	2021 £	2020 £
Finished goods and goods for resale	21,940	19,609

### 12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	36,263	54,471
VAT	6,897	4,649
Prepayments and accrued income	6,933	1,105
	50,093	60,225

### 13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	83	-
Payments received on account	-	25,414
Trade creditors	23,866	12,581
Other creditors	5,468	4,775
Accruals and deferred income	7,908	4,378
	37,325	47,148

# KEHELLAND HORTICULTURAL CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 14 Analysis of net assets between funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Fund balances at 31 March 2021 are represented by:		
Tangible assets	48,265	49,872
Current assets/(liabilities)	382,272	267,384
	<u>430,537</u>	<u>317,256</u>

### 15 Operating lease commitments

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

	2021 £	2020 £
Within one year	6,500	6,500
Between two and five years	26,000	26,000
In over five years	104,000	110,500
	<u>136,500</u>	<u>143,000</u>

### 16 Related party transactions

During the year the trustee S L Pyner received a salary of £16,420 (2020: £16,537) in respect of her employment as the Horticultural Coordinator.

### 17 Cash generated from operations

	2021 £	2020 £
Surplus for the year	113,281	63,039
Adjustments for:		
Interest income recognised in statement of financial activities	(466)	(1,185)
Depreciation and impairment of tangible fixed assets	16,320	13,639
Movements in working capital:		
(Increase) in stocks	(2,331)	(1,229)
Decrease/(increase) in debtors	10,132	(6,203)
(Decrease) in creditors	(9,823)	(5,837)
<b>Cash generated from operations</b>	<u>127,113</u>	<u>62,224</u>

### 18 Analysis of changes in net funds

The charity had no debt during the year.