

Charity registration number 288070

Company registration number 01714560 (England and Wales)

KEHELLAND HORTICULTURAL CENTRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022

KEHELLAND HORTICULTURAL CENTRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D J King S L Pyner H Bryant S W Wallace M Thompson I H Smith J Kelly	(Appointed 1 March 2022)
Delegated management	Chief Executive - Anthea Hedge	
Secretary	B Davies	
Charity number	288070	
Company number	01714560	
Registered office	Kehelland Camborne Cornwall United Kingdom TR14 0DD	
Auditor	Azets Audit Services Woodlands Court Truro Business Park Truro Cornwall United Kingdom TR4 9NH	
Bankers	Barclays 28 Chapel Street Camborne Cornwall United Kingdom TR14 8EL	
Solicitors	Walters and Barbary 18 Bassett Road Camborne Cornwall United Kingdom TR14 8SG	

KEHELLAND HORTICULTURAL CENTRE LIMITED

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KEHELLAND HORTICULTURAL CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE PERIOD ENDED 31 AUGUST 2022

The trustees present their report and financial statements for the period ended 31 August 2022.

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, Cornwall Adult Education, PLUSS, and Careers Southwest. The Trust is also 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 trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

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 Charity Commission.

KEHELLAND HORTICULTURAL CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2022

Achievements and performance

Over the past 18 months we have:-

- We have always operated in a safe and secure manner, following guidance where provided by central and local government in response to the Sars Cov-2 pandemic.
- Provided support for 68 trainees on individual budgets.
- We continue 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. Our education provision is exemplary.
- We have established an Outdoor Education Work Experience programme for our learners.
- 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 with 3000 followers on Facebook and just short of 1000 followers on Instagram.
- 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.
- Maintained as much partnership working as possible.
- Continued to supply a range of local provenance, native perennial wildflower stock with specialised contracts to supply Buglife ICT, Cornwall Council, Cormac & National Trust.
- Launched a Community Tree Nursery thanks to funds from Cornwall Council's Forest for Cornwall Project. This is led by our Learner Horticultural Work Experience team.
- 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.
- Continued to hold the National Dahlia Collection on site with increased visitors to site as a result. 1700 cultivars & 22 species dahlias will be on show to the public and will provide a wonderful resource for the team.
- Increased our numbers of long-term individual volunteers as well as Volunteer Team Days. Covid Recovery Funds meant more organisations crying out for outdoor space; for respite, fresh air, exercise and time together (in some cases for the first time since 2020). NHS, Cornwall Council & private businesses have brought over 100 volunteers to our site. Learning new skills, enjoying being outdoors & of course completing specific horticultural tasks on site.

KEHELLAND HORTICULTURAL CENTRE LIMITED

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

FOR THE PERIOD ENDED 31 AUGUST 2022

What do we need to focus on for 2022/2023?

- We have seen substantial growth in the provision of services at Kehelland, particularly so within our Education Services. Staff levels have increased accordingly. This growth has brought with it challenges in terms of logistics and space. The trustees and management are focussed on alleviating these pressures. We are looking to extend existing office space as well as build a new building which will provide additional class room space as well as further offices. We want to ensure there is adequate and appropriate space for all education and trainee programmes and projects for the charity whether on or off site.
- Ensuring that the long-term impact of the Sars Cov-2 is minimised.
- Monitoring and responding to the impact of the cost-of-living crisis on our staff team, trainees, learners, volunteers & visitors. To do what we can to maintain stability for the charity, staff team, trainees, learners, volunteers & visitors.
- Ensuring that weddings, private functions & vibrant community-led events and celebrations are back on the Kehelland Trust calendar.
- 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 36 students on our education programme. The Trust currently has 68 clients on the books, an average of 25 placements per day.
- 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 and build on sales income & resultant profits, supporting & upholding our provision.
- Continue to develop our online sales presence.
- Continue to develop our native plant growing & Community Tree Nursery programmes to support re-wilding and pollinator projects across the County.
- Market our education programmes to ensure we have full capacity of delivery for 2023/2024.
- 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.
- Develop a corporate sponsorship scheme.
- Further invest in site enhancement and maintenance.

Reasons to celebrate at the turn of the financial year

- We have broken the £1.6million mark in terms of our turnover. Although this has been an extended financial year (17 months), these are 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. 19 learners joining us in September 2021, 15 learners continued to year 2 and 7 moved on to our "Succeed" programme, thanks to a subcontract with Adult Education. Although some of the academic year was impacted by the ongoing SARS COV 2 pandemic, 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.
- 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 another 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.

KEHELLAND HORTICULTURAL CENTRE LIMITED

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

FOR THE PERIOD ENDED 31 AUGUST 2022

Financial review

During this extended period, the Trust achieved incoming resources of £1,614,888 (2021 restated - £940,877) and outgoing resources of £1,559,458 (2021 £783,387) An overall excess income over expenditure of £55,430 (2021 restated: £157,490).

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 reserves to finance both working capital and capital expenditure requirements. The Charity continues to hold a healthy reserve and adhere to the reserves policy.

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 consider 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 £275,200 to £550,400 in free reserves. At 31 August 2022 the total funds held by the charity were £530,176 (2021 restated: £474,746). After excluding tangible fixed assets of £50,711 the free reserves balance is £479,465 which is in line with the target.

Over the last 5 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.

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.

KEHELLAND HORTICULTURAL CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2022

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 charity has continued to face difficulties in the light of the Sars Cov-2 Pandemic and the challenges this has brought. Our priority continued to be to operate in a safe and secure manner for all our trainees, learners & staff, whilst effectively delivering services.

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. 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.

The Board of Trustees continues to govern the charity in a positive and solution-focused way. Sadly we lost two key members of our Board of Trustees over and just after this period. James Browning (who had resigned from the board in March 2022) and our Chair of Trustees, Peni Rapo who died on 24th December 2022. David King is our acting chair as of 1st January 2023. Our gratitude to all that both James & Peni brought to the board in their years of service.

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

D J King

S L Pyner

H Bryant

S W Wallace

M Thompson

I H Smith

J Kelly

(Appointed 1 March 2022)

P P Rapo

(Resigned 24 December 2022)

J M Browning

(Resigned 1 March 2022)

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.

Qualifying third party indemnity provisions

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.

KEHELLAND HORTICULTURAL CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2022

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 regular 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.

Statement of trustees' responsibilities

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 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 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.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

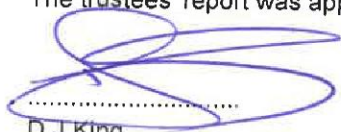
KEHELLAND HORTICULTURAL CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2022

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



D J King

Trustee

Date:

29/6/2023

KEHELLAND HORTICULTURAL CENTRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF KEHELLAND HORTICULTURAL CENTRE LIMITED

Opinion

We have audited the financial statements of Kehelland Horticultural Centre Limited (the 'charity') for the period ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes 1 to 20 to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The corresponding figures in respect of the year ended 31 March 2021 are unaudited.

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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

KEHELLAND HORTICULTURAL CENTRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF KEHELLAND HORTICULTURAL CENTRE LIMITED

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 trustees' report for the financial period for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

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

KEHELLAND HORTICULTURAL CENTRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF KEHELLAND HORTICULTURAL CENTRE LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

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 auditors' 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Matthew Webb (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

29/6/23

Chartered Accountants
Statutory Auditor

Woodlands Court
Truro Business Park
Truro
Cornwall
United Kingdom
TR4 9NH

KEHELLAND HORTICULTURAL CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 AUGUST 2022

		Unrestricted funds 17 months ended 31 August 2022	Unrestricted funds Year ended 31 March 2021 as restated
	Notes	£	£
<u>Income from:</u>			
Donations and legacies	2	23,366	77,219
Charitable activities	3	1,395,297	765,786
Other trading activities	4	195,952	97,406
Investments	5	273	466
Total income		1,614,888	940,877
<u>Expenditure on:</u>			
<u>Raising funds</u>			
Other trading activities		158,661	79,676
<u>Charitable activities</u>			
Staff costs and charitable expenditure	6	1,400,185	703,711
Total charitable expenditure		1,400,185	703,711
Other	10	612	-
Total expenditure		1,559,458	783,387
Net income for the period/year			
Net movement in funds		55,430	157,490
Fund balances at 1 April 2021			
As originally reported		430,537	317,256
Prior period adjustment		44,209	-
As restated		474,746	317,256
Fund balances at 31 August 2022		530,176	474,746

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

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 AUGUST 2022

		31 August 2022		31 March 2021 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		50,711		48,265
Current assets					
Stocks	13	17,370		21,940	
Debtors	14	66,313		94,302	
Cash at bank and in hand		433,165		347,564	
		<u>516,848</u>		<u>463,806</u>	
Creditors: amounts falling due within one year	15	<u>(37,383)</u>		<u>(37,325)</u>	
Net current assets			479,465		426,481
Total assets less current liabilities			<u>530,176</u>		<u>474,746</u>
Income funds					
Unrestricted funds			530,176		474,746
			<u>530,176</u>		<u>474,746</u>

The financial statements were approved by the Trustees on 29/6/23


D J King
Trustee

Company registration number 01714560

KEHELLAND HORTICULTURAL CENTRE LIMITED

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 AUGUST 2022

	Notes	17 months ended 31 August 2022		Year ended 31 March 2021	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	16		110,747		127,113
Investing activities					
Purchase of tangible fixed assets		(25,419)		(14,713)	
Investment income received		273		466	
Net cash used in investing activities			(25,146)		(14,247)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			85,601		112,866
Cash and cash equivalents at beginning of period			347,564		234,698
Cash and cash equivalents at end of period			433,165		347,564

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2022

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 Reporting period

The charity elected to extend its year end date to 31 August 2022, therefore the current period represents 17 months from 1 April 2021 to 31 August 2022. The comparative period comprises 12 months to 31 March 2021. As such these periods are not entirely comparable.

1.2 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.

1.3 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. There are no material uncertainties which may create significant doubt over the charitable company's ability to continue as a going concern.

1.4 Charitable funds

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

1.5 Income

Income, including contractual income from Cornwall Council Council, 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 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.

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

Interest income is recognised using the effective interest rate method

1.6 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.

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.

1.7 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 the statement of financial activities.

1.8 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).

1.9 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.

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.10 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.

Basic financial assets

Basic financial assets, which include debtors, 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.

1.11 Taxation

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

1.12 Retirement benefits

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

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	17 months ended 31 August 2022	Year ended 31 March 2021
	£	£
Donations and gifts	5,104	2,168
Government grants	18,262	75,051
	<u>23,366</u>	<u>77,219</u>

3 Charitable activities

	Personal Budgets	Education Income	Total	Personal Budgets as restated	Education Income as restated	Total as restated
	17 months ended 31 August 2022	17 months ended 31 August 2022	17 months ended 31 August 2022	Year ended 31 March 2021	Year ended 31 March 2021	Year ended 31 March 2021
	£	£	£	£	£	£
Adult social care	<u>418,519</u>	<u>976,778</u>	<u>1,395,297</u>	<u>262,654</u>	<u>503,132</u>	<u>765,786</u>

All amounts are unrestricted funds

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	17 months ended 31 August 2022	Year ended 31 March 2021
	£	£
Kitchen income	17,845	-
Shop income	161,099	95,631
Lettings income	17,008	1,775
Other trading activities	<u>195,952</u>	<u>97,406</u>

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

5 Investments

	Unrestricted funds	Unrestricted funds
	17 months ended 31 August 2022	Year ended 31 March 2021
	£	£
Interest receivable	273	466

6 Charitable activities

	Staff costs and charitable expenditure 17 months ended 31 August 2022	Staff costs and charitable expenditure Year ended 31 March 2021
	£	£
Staff costs	1,181,432	588,301
Depreciation and impairment	22,362	16,320
Rates and water	1,925	524
Insurance	9,813	5,595
Light and heat	21,220	14,011
Telephone	1,581	1,138
Postage and stationery	5,071	2,622
Advertising	851	230
Travel and subsistence	9	-
Motor expenses	8,156	5,932
Rent	9,736	6,500
Uniform and protective clothing	3,695	1,889
Repairs and renewals	26,618	27,572
Cleaning and laundry	6,482	3,079
Staff training	4,076	2,865
Professional fees	27,574	7,031
Dance and other activities	6,983	889
Other charitable expenditure	38,671	7,889
	1,376,255	692,387
Share of support costs (see note 7)	14,575	8,159
Share of governance costs (see note 7)	9,355	3,165
	1,400,185	703,711

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

7 Support costs

	Support costs	Governance costs	17 months ended 31 August 2022	Support costs	Governance costs	Year ended 31 March 2021
	£	£	£	£	£	£
Bank charges	3,267	-	3,267	2,058	-	2,058
IT support and broadband	9,411	-	9,411	4,628	-	4,628
Payroll services	1,767	-	1,767	1,473	-	1,473
Other interest payable	130	-	130	-	-	-
Audit fees/Independent examination	-	9,000	9,000	-	1,350	1,350
Accountancy	-	355	355	-	1,815	1,815
	<u>14,575</u>	<u>9,355</u>	<u>23,930</u>	<u>8,159</u>	<u>3,165</u>	<u>11,324</u>
Analysed between Charitable activities	<u>14,575</u>	<u>9,355</u>	<u>23,930</u>	<u>8,159</u>	<u>3,165</u>	<u>11,324</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

During the period the trustee S L Pyner received a salary of £35,906 (year ended 31 March 2021: £16,420) in respect of her employment as the Horticultural Coordinator.

Other than the above, none of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

9 Employees

The average monthly number of employees during the period was:

17 months ended 31 August 2022	Year ended 31 March 2021
Number	Number
58	41

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

9 Employees

(Continued)

Employment costs	17 months ended 31 August 2022	Year ended 31 March 2021
	£	£
Wages and salaries	1,110,505	552,886
Social security costs	53,955	26,752
Other pension costs	16,972	8,663
	<u>1,181,432</u>	<u>588,301</u>

There were no employees whose annual remuneration was more than £60,000.

10 Other

	Unrestricted funds	Total
		£
	17 months ended 31 August 2022	Year ended 31 March 2021
Net loss on disposal of tangible fixed assets	<u>612</u>	<u>-</u>

11 Prior period adjustments

Education and personal budgets income were understated in the year ended 31 March 2021 by £37,170 and £9,315 respectively. In addition trade debtors were overstated by £2,276. A prior period adjustment has been recorded to correct the above errors. The impact is to increase income from charitable activities, and total funds, in the year ended 31 March 2021 by £44,209. Trade debtors reduced by £2,276 and accrued income increased by £46,485 at 31 March 2021.

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

12 Tangible fixed assets

	Freehold Improvements property	to property	Fixtures and fittings	Office Motor vehicles equipment	Payments to provisions of assets	Total
	£	£	£	£	£	£
Cost						
At 1 April 2021	29,022	110,322	38,772	8,668	34,980	230,625
Additions	-	23,619	1,800	-	-	25,419
Disposals	-	(10,499)	(24,516)	(2,859)	-	(37,874)
At 31 August 2022	29,022	123,442	16,056	5,809	34,980	218,170
Depreciation and impairment						
At 1 April 2021	29,022	72,611	32,331	4,555	34,980	182,360
Depreciation charged in the period	-	15,481	5,235	1,645	-	22,361
Eliminated in respect of disposals	-	(9,887)	(24,516)	(2,859)	-	(37,262)
At 31 August 2022	29,022	78,205	13,050	3,341	34,980	167,459
Carrying amount						
At 31 August 2022	-	45,237	3,006	2,468	-	50,711
At 31 March 2021	-	37,711	6,441	4,113	-	48,265

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

12 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.

13 Stocks

31 August 31 March 2021
2022

£ £

Finished goods and goods for resale

17,370 21,940

14 Debtors

31 August 31 March 2021
2022

as restated
£ £

Amounts falling due within one year:

Trade debtors

57,524 33,987

Other debtors

15 6,897

Prepayments and accrued income

8,774 53,418

66,313 94,302

15 Creditors: amounts falling due within one year

31 August 31 March 2021
2022

£ £

Other taxation and social security

3,094 83

Trade creditors

12,623 23,866

Other creditors

6,003 5,468

Accruals and deferred income

15,663 7,908

37,383 37,325

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2022

16 Cash generated from operations

17 months ended 31 August 2022	Year ended 31 March 2021 as restated
£	£

Surplus for the period	55,430	157,490
Adjustments for:		
Investment income recognised in statement of financial activities	(273)	(466)
Loss on disposal of tangible fixed assets	612	-
Depreciation and impairment of tangible fixed assets	22,361	16,320
Movements in working capital:		
Decrease/(increase) in stocks	4,570	(2,331)
Decrease/(increase) in debtors	27,989	(34,077)
Increase/(decrease) in creditors	58	(9,823)
Cash generated from operations	110,747	127,113

17 Analysis of changes in net funds

The charity had no debt during the year.

18 Analysis of net assets between funds

Unrestricted funds	Unrestricted funds as restated
31 August 2022	31 March 2021
£	£

Fund balances at 31 August 2022 are represented by:

Tangible assets	50,711	48,265
Current assets/(liabilities)	479,465	426,481
	530,176	474,746

19 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:

	31 August 2022	as restated 31 March 2021
	£	£

Within one year	4,142	7,100
Between two and five years	-	7,100
	4,142	14,200

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	17 months ended 31 August 2022	Year ended 31 March 2021
	£	£
Aggregate compensation	240,750	156,397

During the period payments were made to Resilient Orchard Cornwall CIC, a CIC in which Sally Pyner is a director, of £135 (2021: £nil) relating to event expenditure. No amounts were outstanding at the period end.