

Charity registration number 288070

Company registration number 01714560 (England and Wales)

KEHELLAND HORTICULTURAL CENTRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

KEHELLAND HORTICULTURAL CENTRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D J King S L Pyner H Bryant S W Wallace I H Smith J Kelly N Smith	(Appointed 14 February 2023)
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	Paddle & Cocks LLP Solicitors Charles House 18-21 Charles Street Truro Cornwall United Kingdom TR1 2PQ	

KEHELLAND HORTICULTURAL CENTRE LIMITED

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KEHELLAND HORTICULTURAL CENTRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their report and financial statements for the year ended 31 August 2023.

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 charitable company'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 Trustees 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 and Cornwall Adult Education. 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 charitable company 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 YEAR ENDED 31 AUGUST 2023

Achievements and performance

Over the past 12 months we have:

- Provided support for 70 trainees on individual budgets within our day service.
- Continued to work with Cornwall Adult Education and OCN London (our awarding body for the education programme) to deliver meaningful and enriching education programmes to young adults aged 16-25 who have an Education Healthcare Plan. These programmes develop training and support opportunities for young people and those in transition from education to employment. 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.
- Enhanced our education assessment methods further, with video and photographic evidence of achievement now being utilized in more units.
- Expanded our embedding of engaging with educational ICT throughout our offering, with elements such as Kahoot and Blooket being regularly used by tutors.
- Maintained and enhanced our 16-acre site.
- Improved our visibility on the web and social media with 515 new followers and 145k engagements.
- 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.
- Continued to supply a range of local provenance, native perennial wildflower stock with specialised contracts to supply Buglife ICT, Cornwall Council, Cormac & National Trust.
- Expanded our Community Tree Nursery thanks to funds from Cornwall Council's Forest for Cornwall Project. This is led by our Learner Horticultural Work Experience team.
- Maintained our peat-free & minimal chemical use status for our own growing, using biological controls against pests. Reducing the amount of single-use-plastic as far as possible. Continuing with 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 are on show to the public from July to October & provide a wonderful resource for the team.
- Ran many specialist workshops across the year: Apple tree pruning (winter and summer), grafting, pruning, wreath making, nest box making & tree planting.
- Hosted guided tours for visiting groups including a group from Myanmar, given external talks about the charity to various organisations such as U3A and gardening clubs.
- Continued to develop our group volunteer programmes. Groups have included the NHS, Cornwall Council, Teagle machinery & other private businesses. Along with our workshop provision, this has resulted in around 100 volunteers working across 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 YEAR ENDED 31 AUGUST 2023

What do we need to focus on for 2023/2024?

- Ensuring there is adequate & appropriate infrastructure for our day service and education programmes.
- Market our education programmes to ensure we have full capacity of delivery for 2024/2025.
- 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 continue.
- The provision of care and support services will continue as best as possible to ensure full capacity; 30 trainees every day on our day service. The Trust currently provides a service for 64 trainees, 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, with a target of 36 learners per year.
- 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.
- 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.
- The development of our new Business Plan for 2024-2029.

Reasons to celebrate at the turn of the financial year

- 4 learners have gone on to take up employment.
- We have broken the £1.3million mark in terms of our annual turnover. However, investment in much needed infrastructure is required.
- Ofsted inspected Kehelland as part of their visit to Cornwall Adult Education- as part of the greater education consortium we contributed to a rating of "good".
- OCN London visited, and our feedback once again reflected that our provision is exemplary across the board, with no notes of improvement being given.
- We continue to work under Cornwall Council's Framework for our day service. 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 provide excellent programmes with 28 learners this year, thanks to a subcontract with Adult Education.
- Our staff team continues to develop, both to facilitate growth, ensure exemplary education programmes & day-care support. Staff continue to be supported to develop their skillsets, with designated members of staff now being responsible for the Bespoke provision, running our social media and delivering training on the technology we use to external providers. We continue to look for ways we can facilitate our staff in developing their interests in a way that also has benefits for our learners, trainees, the Trust and other professionals.
- In our end-of-year learner questionnaire, all learners rated Kehelland as being the top possible mark for "do you feel safe at Kehelland".
- The Trust have been successful in their planning application to extend the current classroom and we had secured planning to erect a new building on site. 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 YEAR ENDED 31 AUGUST 2023

Financial review

During this period, the Trust achieved incoming resources of £1,341,268 (2022 - 17 months: £1,614,888) and outgoing resources of £1,471,427 (2022 - 17 months: £1,559,458), an overall deficit in income over expenditure of £130,159 (2022 - 17 months: surplus of £55,430).

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.

Over the last 5 years, Kehelland Trust had been pulling back from a large deficit, however, the deficit this last year is indicative of funding resources not keeping pace with the increase in goods and services as well as the National Living Wage.

Investment in staff has continued to account for our highest costs but has the highest return as maintaining a highly skilled and experienced staff team enables us to continue to provide excellent services for the people we support.

	2022/2023	2021/2022 (17 months)	2020/2021	2019/2020	2018/2019
Income	£1,341,268	£1,614,888	£940,877	£696,563	£520,891
Outgoings	£1,471,427	£1,559,458	£783,387	£633,524	£527,367
Income over expenditure	-£130,159	+£55,430	+£157,490	+£63,039	-£6,476

Reserves policy

The Board of Trustees recognise that in order that the Company may not only survive, but fulfil its objectives, it requires adequate finances to ensure that we can meet our statutory requirements and both working capital and capital expenditure requirements. The company strives to maintain a healthy solvency barrier and adheres to the Reserves and Solvency Policy.

Summary of Funds

	31/08/2023	31/08/2022	31/03/2021	31/03/2020	31/03/2019
Total Funds	£400,017	£530,176	£430,537	£317,256	£254,217
Cash at bank and in hand	£344,267	£433,165	£347,564	£234,698	£185,006
Tangible assets and stock	£62,832	£68,081	£70,205	£69,481	£68,174
Debtors less creditors	-£7,082	£28,930	£12,768	£13,077	£1,037

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be at least £250,000. 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. At 31 August 2023 the total funds held by the charity were £400,017. After excluding tangible fixed assets of £40,315 the free reserves balance is £359,702 which is above the minimum level.

The trustees assessed the major risks to which the charitable company 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 YEAR ENDED 31 AUGUST 2023

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.

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.

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:

D J King

S L Pyner

H Bryant

S W Wallace

M Thompson

(Resigned 17 November 2023)

I H Smith

J Kelly

P P Rapo

(Resigned 24 December 2022)

N Smith

(Appointed 14 February 2023)

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.

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.

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 YEAR ENDED 31 AUGUST 2023

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.

David King
David King (Jun 28, 2024 11:24 GMT+1)

D J King
Trustee

Date: Jun 28, 2024

KEHELLAND HORTICULTURAL CENTRE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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 charitable company 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 charitable company 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 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.

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 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes 1 to 21 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

Material uncertainty related to going concern

We draw attention to note 1.3 in the financial statements which indicates that it is possible that timing differences in the receipt of payments from the charity's key customer and lower income from shop and events sales than forecast, may result in shortages of funds during the forecast period. As stated in note 1.3, these events or conditions, along with other matters as set forth in note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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 year 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 charitable company 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.

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 charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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


Matthew Webb (Jun 28, 2024 12:20 GMT+1)

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

Jun 28, 2024
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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 YEAR ENDED 31 AUGUST 2023

		Unrestricted funds 2023	Unrestricted funds 17 months ended 31 August 2022
	Notes	£	£
<u>Income from:</u>			
Donations and legacies	2	3,443	23,366
Charitable activities	3	1,185,855	1,395,297
Other trading activities	4	150,867	195,952
Investments	5	1,103	273
Total income		1,341,268	1,614,888
<u>Expenditure on:</u>			
<u>Raising funds</u>			
Other trading activities		129,277	158,661
 <u>Charitable activities</u>			
Staff costs and charitable expenditure	6	1,342,150	1,400,185
Total charitable expenditure		1,342,150	1,400,185
Other	10	-	612
Total expenditure		1,471,427	1,559,458
 Net income for the period/year			
Net movement in funds		(130,159)	55,430
 Fund balances at 1 September 2022		530,176	474,746
 Fund balances at 31 August 2023		400,017	530,176

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 AUGUST 2023

		31 August 2023		31 August 2022
	Notes	£	£	£
Fixed assets				
Tangible assets	12		40,315	50,711
Current assets				
Stocks	13	22,517		17,370
Debtors	14	61,338		66,313
Cash at bank and in hand		344,267		433,165
		428,122		516,848
Creditors: amounts falling due within one year	15	(68,420)		(37,383)
Net current assets			359,702	479,465
Total assets less current liabilities			400,017	530,176
Income funds				
Unrestricted funds			400,017	530,176
			400,017	530,176

The financial statements were approved by the Trustees on Jun 28, 2024

David King
David King (Jun 28, 2024 11:24 GMT+1)
D J King
Trustee

Company registration number 01714560

KEHELLAND HORTICULTURAL CENTRE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

		2023		17 months ended 31 August 2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	16		(89,373)		110,747
Investing activities					
Purchase of tangible fixed assets		(628)		(25,419)	
Investment income received		1,103		273	
Net cash generated from/(used in) investing activities			475		(25,146)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(88,898)		85,601
Cash and cash equivalents at beginning of year			433,165		347,564
Cash and cash equivalents at end of year			344,267		433,165

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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

In the prior year the charity elected to extend its year end date to 31 August 2022, therefore the comparative period represents 17 months from 1 April 2021 to 31 August 2022. The current period comprises 12 months to 31 August 2023. As such these periods are not entirely comparable.

1.2 Accounting convention

The financial statements have been prepared in accordance with the charitable company'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 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 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 of Trustees has considered a period of thirteen months from the date of approval of the financial statements and has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Notwithstanding this it is possible that timing differences in the receipt of payments from the charity's key customer and lower income from shop and events sales than forecast, may result in shortages of funds during the forecast period. These are material uncertainties related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern for the foreseeable future and, therefore the charity might be unable to realise its assets and discharge its liabilities as they fall due.

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 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.

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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.

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 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).

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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.

1.10 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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 charitable company'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 YEAR ENDED 31 AUGUST 2023

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	17 months ended 31 August 2022
	£	£
Donations and gifts	3,443	5,104
Government grants	-	18,262
	<u>3,443</u>	<u>23,366</u>

3 Charitable activities

	Personal Budgets	Education Income	Total	Personal Budgets	Education Income	Total
	2023	2023	2023	17 months ended 31 August 2022	17 months ended 31 August 2022	17 months ended 31 August 2022
	£	£	£	£	£	£
Adult social care	<u>331,054</u>	<u>854,801</u>	<u>1,185,855</u>	<u>418,519</u>	<u>976,778</u>	<u>1,395,297</u>

All amounts are unrestricted funds

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	17 months ended 31 August 2022
	£	£
Kitchen income	17,563	17,845
Shop income	121,330	161,099
Lettings income	11,974	17,008
Other trading activities	<u>150,867</u>	<u>195,952</u>

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	17 months ended 31 August 2022
	£	£
Interest receivable	1,103	273

6 Charitable activities

	Staff costs and charitable expenditure 2023	Staff costs and charitable expenditure 17 months ended 31 August 2022
	£	£
Staff costs	1,130,203	1,181,432
Depreciation and impairment	11,023	22,362
Rates and water	1,467	1,925
Insurance	8,136	9,813
Light and heat	14,462	21,220
Telephone	1,378	1,581
Postage and stationery	5,121	5,071
Advertising	1,504	851
Travel and subsistence	154	9
Motor expenses	6,356	8,156
Rent	7,274	9,736
Uniform and protective clothing	3,558	3,695
Repairs and renewals	21,047	26,618
Cleaning and laundry	5,966	6,482
Staff training	1,827	4,076
Professional fees	25,766	27,574
Dance and other activities	11,405	6,983
Other charitable expenditure	56,182	38,671
	1,312,829	1,376,255
Share of support costs (see note 7)	12,320	14,575
Share of governance costs (see note 7)	17,001	9,355
	1,342,150	1,400,185

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

7 Support costs

	Support costs	Governance costs	2023 Support costs	Governance costs	17 months ended 31 August 2022
	£	£	£	£	£
Bank charges	2,778	-	2,778	3,267	3,267
IT support and broadband	6,874	-	6,874	9,411	9,411
Payroll services	2,668	-	2,668	1,767	1,767
Other interest payable	-	-	-	130	130
Audit fees	-	12,950	12,950	-	9,000
Accountancy	-	4,051	4,051	-	355
	<u>12,320</u>	<u>17,001</u>	<u>29,321</u>	<u>14,575</u>	<u>23,930</u>
Analysed between Charitable activities	<u>12,320</u>	<u>17,001</u>	<u>29,321</u>	<u>14,575</u>	<u>23,930</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 year the trustee S L Pyner received a salary of £33,013 (period ended 31 August 2022: £35,906) 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 charitable company during the year (2022: none).

9 Employees

The average monthly number of employees during the year was:

2023	17 months ended 31 August 2022
Number	Number
<u>71</u>	<u>58</u>

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

9 Employees (Continued)

Employment costs	2023 £	17 months ended 31 August 2022 £
Wages and salaries	1,048,299	1,110,505
Social security costs	59,580	53,955
Other pension costs	22,324	16,972
	<u>1,130,203</u>	<u>1,181,432</u>

There were no employees whose annual remuneration was more than £60,000 (2022: none).

10 Other

	Total £ 2023	Unrestricted funds 17 months ended 31 August 2022
Net loss on disposal of tangible fixed assets	<u>-</u>	<u>612</u>

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

12	Tangible fixed assets	Freehold property	Improvements to property	Fixtures and fittings	Office Motor vehicles equipment	Payments to provisions of assets	Total
		£	£	£	£	£	£
	Cost						
	At 1 September 2022	29,022	123,442	16,056	34,980	8,861	218,170
	Additions	-	-	-	-	-	628
	At 31 August 2023	29,022	123,442	16,056	34,980	8,861	218,798
	Depreciation and impairment						
	At 1 September 2022	29,022	78,205	13,050	34,980	8,861	167,459
	Depreciation charged in the year	-	8,630	1,107	-	-	11,024
	At 31 August 2023	29,022	86,835	14,157	34,980	8,861	178,483
	Carrying amount						
	At 31 August 2023	-	36,607	1,899	-	-	40,315
	At 31 August 2022	-	45,237	3,006	-	-	50,711

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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 2023 £	31 August 2022 £
Finished goods and goods for resale	22,517	17,370

14 Debtors

	31 August 2023 £	31 August 2022 £
Amounts falling due within one year:		
Trade debtors	55,501	57,524
Other debtors	-	15
Prepayments and accrued income	5,837	8,774
	61,338	66,313

15 Creditors: amounts falling due within one year

	31 August 2023 £	31 August 2022 £
Other taxation and social security	9,354	3,094
Trade creditors	10,902	12,623
Other creditors	29,440	6,003
Accruals and deferred income	18,724	15,663
	68,420	37,383

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

16	Cash generated from operations	2023 £	17 months ended 31 August 2022 £
	(Deficit)/surplus for the year	(130,159)	55,430
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,103)	(273)
	(Gain)/loss on disposal of tangible fixed assets	-	612
	Depreciation and impairment of tangible fixed assets	11,024	22,361
	Movements in working capital:		
	(Increase)/decrease in stocks	(5,147)	4,570
	Decrease in debtors	4,975	27,989
	Increase in creditors	31,037	58
	Cash (absorbed by)/generated from operations	(89,373)	110,747

- 17 Analysis of changes in net funds**
The charitable company had no debt during the year.

18 Analysis of net assets between funds

	Unrestricted funds 2023 £	Unrestricted funds 17 months ended 31 August 2022 £
Fund balances at 31 August 2023 are represented by:		
Tangible assets	40,315	50,711
Current assets/(liabilities)	359,702	479,465
	400,017	530,176

19 Contingent assets

During the financial year the charity made a claim on its insurance policy. No gain has been recognised during the financial year as at the balance sheet date acceptance of the claim was not virtually certain. Subsequent to year end the insurer agreed to pay £15,000 and this will be recognised in the year ended 31 August 2024.

20 Operating lease commitments

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

	2023 £	17 months ended 31 August 2022 £
Within one year	7,100	4,142
Between two and five years	11,242	-

KEHELLAND HORTICULTURAL CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

20 Operating lease commitments

(Continued)

18,342	4,142
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21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	17 months ended 31 August 2022
	£	£
Aggregate compensation	174,237	240,750

During the financial year S Pyner, spouse of Sally Pyner (trustee), was employed by the charity and was paid a gross salary of £1,607 (2022: £Nil).

During the period payments were made to Resilient Orchard Cornwall CIC, a CIC in which Sally Pyner (trustee) is a director, of £945 (2022: £135) relating to event expenditure. £240 was outstanding at the year end (2022: nil).