

# HORTICAP

England & Wales · Charity number 517234

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [01782339](#)

**Registered** 1986-03-13

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Bluecoat Wood Nurseries  
Otley Road  
Beckwithshaw  
Harrogate  
HG3 1QL

**Phone** 01423522876

**Email** [info@horticap.org](mailto:info@horticap.org)

**Website** [www.horticap.org](http://www.horticap.org)

## Activities

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**Objects:** THE RELIEF OF PERSONS WHO ARE PHYSICALLY HANDICAPPED OR MENTALLY HANDICAPPED.

**Activities:** Providing training and education for adults with learning disabilities

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Disability
- **Who:** People With Disabilities

## Geography

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- **Area of benefit:** NORTH YORKSHIRE AND WEST YORKSHIRE
- North Yorkshire

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£1,308,423	£1,219,051	£1,447,522	33
2024-09-30	£1,813,441	£1,717,225	£1,358,150	31
2023-03-31	£979,086	£950,266	£1,279,094	26
2022-03-31	£733,165	£756,258	£1,250,275	25
2021-03-31	£557,259	£501,921	£1,273,369	12
2020-03-31	£537,515	£485,928	£1,218,030	12

## Trustees

Name	Role	Appointed
<b>Peter Hornby</b>	Chair	2017-04-06
Alistair Garnett		2023-10-05
Jacqueline Louise Hall		2024-04-11
Nicola Diane Harris		2017-04-06
Richard James Marlow		2024-05-23
Robert Bath		2019-01-30
Robert John Darley Wilkins		2025-10-02
Wendy Donnan		2020-03-27

**HORTICAP**

England & Wales - Charity number 517234

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# Accounts

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Registered number: 01782339

Charity number: 517234

**HORTICAP**

**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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**HORTICAP**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
*FOR THE YEAR ENDED 30 SEPTEMBER 2025*

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**Trustees** Mr P Hornby, Chair  
Mr R A Bath, Deputy Chair  
Mrs W Donnan  
Mr A D Garnett  
Ms J L Hall  
Mrs N D Harris  
Mr R J Marlow  
Mr R J D Wilkins (appointed 2 October 2025)

**Company registered number** 01782339

**Charity registered number** 517234

**Registered office** Bluecoat Wood Nurseries  
Otley Road  
Beckwithshaw  
Harrogate  
HG3 1QL

**Key management personnel** Ian Bradbury  
Gilvray Qassim  
Mary Lloyd

**Independent auditors** Sumer Auditco Limited  
Chartered Accountants  
Rievaulx House  
1 St Mary's Court  
Blossom Street  
York  
YO24 1AH

**Bankers** HSBC PLC  
7 Prospect Crescent  
Harrogate  
HG1 1RN

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**CHAIR'S STATEMENT**

*FOR THE YEAR ENDED 30 SEPTEMBER 2025*

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The Chair presents his statement for the year.

2024/25 has seen another successful year for Horticap. Whilst our core student services centre on horticulture we have been able to add additional activities through the increased use of our arts and crafts facilities. Our café and shop continue to be in strong demand locally and again provide customer focused experience for our students.

In recent years we have embarked on a programme of, where possible, replacing our petrol/ diesel powered equipment with electrically driven alternatives. Last year through the generosity of one of our supporters we acquired our first battery powered ride on mower which has been well used in our external contracts. This year, through the amazing generosity of a consortium of donors, led by Banks Homes and The HRH Group Ltd, we have acquired our first fully electric van which we bought in summer 2025. This replaced an ageing diesel powered van and is now to be seen in the North Yorkshire area ferrying our students and equipment to our contract clients.

Our garden improvement plan has now been delivered with the final stage of the dry stone walling and the kitchen garden areas now completed, again through the generous contributions made by our supporters.

We have built a new polytunnel for the development of plants and seedlings, much of the work being done by staff and students, under supervision.

Some of our on-site facilities are reaching the end of their useful lives. In particular our waste disposal facility struggles to keep up with the increased customer footfall in our café and shop, our student hygiene arrangements need upgrading and one of our glasshouses needs replacing on safety grounds. The increase in our reserves mean that we can commence work on these projects in the next couple of years albeit with the support of our donors and supporters.

I would like to personally thank everyone who has contributed to the continuing success of Horticap. Students, volunteers, staff and Trustees are all enthusiastic and dedicated to improving the life chances of our students. We are also well supported by local businesses and the community, without whom we could not provide the student support that we strive to deliver.



Mr P Hornby

Chair

Date: 26 February 2026

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## HORTICAP

(A company limited by guarantee)

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### TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

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The Trustees present their annual report together with the audited financial statements of the company for the 1 October 2024 to 30 September 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

#### **Objectives and activities**

##### **a. Policies and objectives**

The charity's objective, as stated in the Memorandum & Articles of Association, is the relief of persons who are physically handicapped or mentally handicapped.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. Our policy framework covers governance and management, operational risk, financial risk, environmental/ external factors and compliance risk. In each of these areas the potential risk impact is continually reviewed together with the steps to mitigate risk. The policy framework and issues arising are reviewed at every Trustee meeting.

It is the policy of the Board to manage Horticap to minimise all risks to our people and our business. This includes primarily occupational risks such as Health, Safety and Security and we will take into account our students, volunteers, staff, customers, visitors and anyone else likely to be affected by our activities. We recognise our students have individual needs and require our particular support and attention. We also recognise that children may be among our guests and visitors and they too need special consideration.

The Board also manages the operations of Horticap to best protect the organisation from avoidable losses or damage to its reputation. This is particularly important because, as a registered charity, we are the custodians of money donated by the public and other organisations and they have a right to expect diligent management of their donations. The Board is also aware of how important Horticap is in the lives of its students and what impact failure of the business would have on them.

Peter Hornby, the Chair has overall responsibility for risk management but designates a Trustee Director, Nicky Harris, to take delegated responsibility for overall co-ordination of Risk Management within Horticap. The designated Health and Safety Officer is Ian Bradbury, Chief Operating Officer; the staff representative of the Risk Sub Committee is Dan Williams. All employees and volunteers have the responsibility to cooperate with the Chief Operating Officer to follow safe systems of work; to take reasonable care of themselves and others, in particular all the students on the premises. Whenever an employee or volunteer notices a health and safety problem, which they are not able to put right they must immediately notify the appropriate person.

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**TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 30 SEPTEMBER 2025

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**Objectives and activities (continued)****b. Public benefit**

Our main activities include instructing adults with learning disabilities in horticulture, garden maintenance, woodwork, crafts and allied skills. Our aim is to improve the life skills of these students to enhance their quality of life and in so doing integrate them more fully into the community in which they live.

We provide free public access to our gardens, nature trail and children's play areas which include educational information regarding horticulture, environmental and other matters.

**c. Activities undertaken to achieve objectives**

Our 4-acre site comprises greenhouses, polytunnels, a workshop/recycling facilities, mess room, tool store, education block, a café and shop along with a show garden, pond, bird hide and wildlife trail. The site is run by a Chief Operating Officer, a part-time Administration Manager and a part-time Accounts Manager, along with 8 full time and 24 part time staff. They are supported by over 20 volunteers and a board of between five and nine Directors/Trustees.

The students receive such training as their varying abilities allow and also help with all the tasks associated with running a nursery/garden centre. Whilst carrying out these tasks, they are also learning spatial awareness, hand to eye coordination and are benefiting from interaction with others. The trained instructors are supported by a team of volunteers to give each student the help needed.

The produce from the nursery is sold through the shop, at the Harrogate Flower Show, the Great Yorkshire Show and at other events. A newsletter is produced four times per year for students, carers and members of the public. Information about the organisation is also available on the website ([www.horticap.org](http://www.horticap.org)), and on social media (Facebook, Instagram, X and LinkedIn).

**Achievements and performance****a. Achievements and performance**

Demand for student places has again been steady throughout the year and we have operated at around our maximum capacity.

Income from student funding, which comes mainly via the self directed care scheme operated by North Yorkshire and other councils has moved from £425,103 (eighteen month period) in 2023/24 to £314,108 in 2024/25 (twelve month period). We are extremely grateful for the continued support of our local government partners.

Donations (voluntary income) were £109,630 for the year (2024: £118,101 for the eighteen month period). Our donors were extremely generous to Horticap. As always, we are extremely grateful for the continued support of the local community and charitable trusts in the North Yorkshire region and beyond.

Together with our own social enterprise earnings we generated a surplus of £89,372 (2023/24: £96,216) in year ended 30 September 2025. Our underpinning of charitable and commercial performance remains strong.

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## HORTICAP

(A company limited by guarantee)

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### TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

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#### Achievements and performance (continued)

The review of staffing levels is an ongoing activity in Horticap to ensure we have the appropriate levels of support and supervision for our students. All staff have their training updated throughout the year, completing a wide range of appropriate courses. We also have a team of dedicated and enthusiastic volunteers and we are supported by local businesses and the local community for which we are extremely grateful.

#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### b. Reserves policy

Trustees aim to maintain a sensible level of unrestricted net current assets to enable them to react to major reductions in funding levels from existing sources. The current level of free reserves at 30 September 2025 are £369,045 (2024: £343,380).

##### 1. Purpose of the Policy

This policy sets out Horticap's approach to holding and managing reserves, in line with the Charity Commission's guidance (CC19). It ensures transparency for Trustees, donors, and stakeholders, and supports the charity's long-term sustainability.

##### 2. Definition of Reserves

For the purposes of this policy, "reserves" are unrestricted funds that are freely available for the charity's general purposes, excluding:

- Restricted funds
- Fixed assets held for charity use
- Designated funds set aside for specific projects
- Capital commitments

##### 3. Why We Hold Reserves

We hold reserves to:

- Maintain financial stability during fluctuations in income or expenditure
- Cover unexpected costs or emergencies
- Support planned investment in strategic priorities
- Ensure continuity of services in the event of funding delays

##### 4. Target Level of Reserves

The Trustees have agreed that the target level of reserves should be 6 months of core operating costs, currently estimated at £200,000. This level is considered sufficient to:

- Cover essential running costs for a defined period
- Allow time to secure alternative funding if income streams are disrupted

##### 5. Monitoring and Review

- Reserves will be reviewed quarterly by the Trustees as part of financial reporting
- This policy will be reviewed annually, or sooner if circumstances change significantly

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**TRUSTEES' REPORT (CONTINUED)**

*FOR THE YEAR ENDED 30 SEPTEMBER 2025*

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**6. Use of Reserves**

Any use of reserves outside the agreed budget must be approved by the Board of Trustees and documented in meeting minutes, including the rationale and repayment plan (if applicable).

**c. Investments Strategy**

Horticap's investment strategy restricts investment of surplus funds to risk free investments subject to forecast surplus funds being less than £250,000 over a five-year review period. In the event of a £250,000 surplus being available for more than 5 years, other financial instruments would be considered subject to professional advice. The position is reviewed annually and presently the Trustees do not consider other financial instruments to be appropriate.

During the year, surplus funds were held in fixed interest deposit accounts, (restricted to £120,000 being the FSCS banking protection limit). Funds with our bankers, HSBC, exceeded that level during the year and the Trustees maintain a periodic review of banking related risks.

**d. Principal risks and uncertainties**

The Trustees have considered the risks, uncertainties, impacts and mitigation approaches covering governance and management, operational risk, financial risk, environmental/ external factors and compliance risk.

We consider the principal risks and uncertainties to be:

- Student funding arrangements with local authorities (principally North Yorkshire Council). Subject to satisfactory compliance (which we manage) the contract with NYC is in place until 30 November 2027 and is extendable by the Council for two subsequent 12 month periods.
- Health and safety risks. The broad range of activities that we conduct on and off site coupled with our students primarily being adults with learning disabilities creates the potential for health and safety incidents. Our mitigation is through a comprehensive approach to risk assessment and capability training coupled with the reporting of every incident and outcome to the Trustee board.
- Management resource and capability. We have a long serving, highly experienced management team who are supported by a team of Instructors and support staff. We enjoy a low level of staff turnover but we are actively engaged in succession planning and the development of our people to become our management team of the future.

**Structure, governance and management****a. Constitution**

Horticap is registered as a charitable company limited by guarantee. The charity is governed by the Memorandum & Articles of Association incorporated 2 December 1983 as amended by Special Resolutions dated 22 April 1985.

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**TRUSTEES' REPORT (CONTINUED)**

*FOR THE YEAR ENDED 30 SEPTEMBER 2025*

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**Structure, governance and management (continued)****b. Methods of appointment or election of Trustees**

Initially, potential Trustees (who are also the directors of Horticap for the purposes of company law) are identified from the local community using the knowledge of existing Board members and other associated with Horticap who have an extensive network of contacts. We have also used specialist recruitment sources where specific skills or backgrounds have been identified.

During the year the Board continued with its policy that, other than in exceptional circumstances, the maximum tenure of Trustees should be nine years and that Trustees should be subject to re-election every three years. This is in line with the latest guidance from the Charities Commission and will serve to refresh the talent available to Horticap Limited at Trustee level and will in consequence see a number of appointments and retirements in the years to come as current Trustees reach their maximum tenure period.

Robert John Darley Wilkins was appointed as a new Trustee.

**c. Policies adopted for the induction and training of Trustees**

Before any appointment, potential Trustees will meet the other Board members, if appropriate as an observer at a Board meeting. A copy of directors' responsibilities is made available to them together with other documents outlining the general responsibilities of a Trustee. On appointment a full induction programme is provided.

**d. Pay policy for key management personnel**

Pay and reward for all employees, including key management, is reviewed annually. The review encompasses the review of available pay data, comparisons with similar organisations/ roles and the progress of individuals, for example taking on greater responsibilities. The review is considered by and challenged by the Trustee board before any rises or changes are implemented.

**e. Fundraising**

Horticap benefits from the trust, generosity and support of both Corporate and Individual donors, and as such our goal is to treat all supporters fairly and ensure our fundraising is legal, open, honest and respectful.

Our approach to fundraising and donations has been developed with reference to The Institute of Fundraising's guidance on the treatment of donors and the Fundraising Regulator's Code of Practice. Fundraising activity covers general donations from the public and applications to charitable grant awarding bodies. We do not employ third party fundraisers and have received no complaints about our fundraising activities.

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**HORTICAP**

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**TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 30 SEPTEMBER 2025

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**Plans for future periods**

We consider that our student population is nearing capacity. Further growth in numbers is limited by the size of the site and facilities required to provide students with good quality activities in the winter months and during inclement weather.

Whilst we do not foresee significant new developments on site, some of our buildings are reaching the end of their useful life and will either need renovation or reconstruction in the next few years. We continue to electrify our fleet of vehicles, mowers and other equipment and are extremely grateful for the donations received from our partners to help us achieve this goal.

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the company for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

Sumer Auditco Limited were appointed as auditor to the company following BHP LLP becoming part of the Sumer Group on 31 December 2025, which required a change in audit firm to comply with applicable regulatory requirements.

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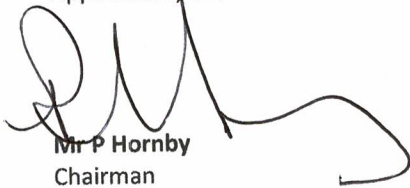
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**TRUSTEES' REPORT (CONTINUED)**

*FOR THE YEAR ENDED 30 SEPTEMBER 2025*

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



**Mr P Hornby**  
Chairman

Date: 26 February 2026

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**HORTICAP**

(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORTICAP**

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**Opinion**

We have audited the financial statements of Horticap (the 'charitable company') for the year ended 30 September 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2025 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORTICAP (CONTINUED)**

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**Other information**

The other information comprises the information included in the Trustees' Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Trustees' 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.

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

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

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial period for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' report and from the requirement to prepare a Strategic report.

**Responsibilities of Trustees**

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

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORTICAP (CONTINUED)**

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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.

**Auditors' responsibilities for the audit of the financial statements**

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

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management and Trustees, and from our knowledge and experience of this organisation;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities Act 2011, the Companies Act 2006, data protection, health and safety legislation and employment law;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and Trustees;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit of the group and parent charitable company.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and Trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORTICAP (CONTINUED)**

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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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Laura Masheder (Senior statutory auditor)**

for and on behalf of

**Sumer Auditco Limited**

Chartered Accountants

Rievaulx House

1 St Mary's Court

Blossom Street

York

YO24 1AH

Date:

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**HORTICAP****(A company limited by guarantee)**

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds period 2024 £
<b>Income from:</b>					
Donations and grants	4	81,130	28,500	109,630	118,101
Charitable activities	5	314,108	-	314,108	425,103
Other trading activities:	6				
Fundraising events		1,216	-	1,216	-
Other trading activities		881,344	-	881,344	1,266,105
Investments	7	2,125	-	2,125	4,132
<b>Total income</b>		<b>1,279,923</b>	<b>28,500</b>	<b>1,308,423</b>	<b>1,813,441</b>
<b>Expenditure on:</b>					
Raising funds	8	687,403	-	687,403	1,047,133
Charitable activities	9	531,648	-	531,648	670,092
<b>Total expenditure</b>		<b>1,219,051</b>	<b>-</b>	<b>1,219,051</b>	<b>1,717,225</b>
<b>Net income</b>		<b>60,872</b>	<b>28,500</b>	<b>89,372</b>	<b>96,216</b>
Transfers between funds	17	28,826	(28,826)	-	-
<b>Net movement in funds</b>		<b>89,698</b>	<b>(326)</b>	<b>89,372</b>	<b>96,216</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,352,665	5,485	1,358,150	1,261,934
Net movement in funds		89,698	(326)	89,372	96,216
<b>Total funds carried forward</b>	17	<b>1,442,363</b>	<b>5,159</b>	<b>1,447,522</b>	<b>1,358,150</b>

All income and expenditure derives from continuing activities.

The Statement of financial activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

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**HORTICAP**

(A company limited by guarantee)  
REGISTERED NUMBER: 01782339

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**BALANCE SHEET**  
*AS AT 30 SEPTEMBER 2025*

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	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	13	1,003,318	1,009,285
		<u>1,003,318</u>	<u>1,009,285</u>
<b>Current assets</b>			
Stocks	14	109,027	88,239
Debtors	15	51,207	49,079
Cash at bank and in hand		381,008	308,920
		<u>541,242</u>	<u>446,238</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	16	(97,038)	(97,373)
		<u>444,204</u>	<u>348,865</u>
<b>Net current assets</b>		<u>444,204</u>	<u>348,865</u>
<b>Total assets less current liabilities</b>		<u>1,447,522</u>	<u>1,358,150</u>
<b>Total net assets</b>		<u>1,447,522</u>	<u>1,358,150</u>
<b>Charity funds</b>			
Restricted funds	17	5,159	5,485
Unrestricted funds			
Designated funds	17	1,073,318	1,009,285
General funds	17	369,045	343,380
		<u>1,442,363</u>	<u>1,352,665</u>
Total unrestricted funds	17	<u>1,442,363</u>	<u>1,352,665</u>
<b>Total funds</b>		<u>1,447,522</u>	<u>1,358,150</u>

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**HORTICAP**

**(A company limited by guarantee)**

REGISTERED NUMBER: 01782339

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**BALANCE SHEET (CONTINUED)**

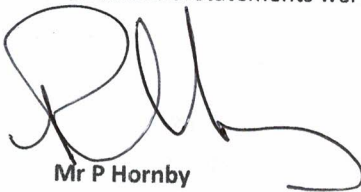
*AS AT 30 SEPTEMBER 2025*

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

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

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



**Mr P Hornby**

Chair

Date: 26 February 2026

The notes on pages 18 to 34 form part of these financial statements.

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**HORTICAP****(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>107,771</b>	206,690
<b>Cash flows from investing activities</b>			
Interest received		2,125	4,132
Proceeds from the sale of tangible fixed assets		-	1,122
Purchase of tangible fixed assets		<b>(37,808)</b>	(43,068)
<b>Net cash used in investing activities</b>		<b>(35,683)</b>	<b>(37,814)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>72,088</b>	<b>168,876</b>
Cash and cash equivalents at the beginning of the year		<b>308,920</b>	140,044
<b>Cash and cash equivalents at the end of the year</b>	21	<b>381,008</b>	<b>308,920</b>

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**HORTICAP**

(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 30 SEPTEMBER 2025*

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**1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Bluecoat Wood Nurseries, Otley Road, Beckwithshaw, Harrogate, HG3 1QL.

**2. Accounting policies****2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements are prepared in sterling, which is the functional currency of the entity.

The comparative figures were for an 18 month period so are not entirely comparable with the current year.

The company is limited by guarantee of up to £5 per member.

**2.2 Going concern**

The financial statements are prepared on a going concern basis. At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements.

**2.3 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**2.4 Expenditure**

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

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## HORTICAP

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

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#### 2. Accounting policies (continued)

##### 2.4 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

##### 2.5 Interest receivable

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

##### 2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following bases:

Freehold buildings	- 2% - 10% straight line
Plant and machinery	- 5%- 20% straight line
Motor vehicles	- 25% reducing balance
Office equipment	- 25% - 33% straight line
Polytunnels	- 25% straight line

Freehold land is not depreciated.

##### 2.7 Stocks

Nursery stock is valued at the lower of cost and net realisable value. Cost is calculated by taking the original cost of the plant together with additional inputs to bring it to its condition at the year end.

Café stock is valued at the lower of cost and net realisable value, after making due consideration for obsolete and slow moving stocks.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2025

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2. Accounting policies (continued)

**2.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.10 Liabilities and provisions**

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

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

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

**2.11 Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.12 Employee benefits**

When employees have rendered services to the charity, short term employee benefits to which employees are entitled are recognised as the undiscounted amount expected to be paid in exchange for that service.

**Defined contribution pension scheme**

The company contributes to a defined contribution pension scheme for the benefit of its employees. The pension costs charged against net incoming resources are the contributions payable to the scheme in respect of the accounting period in accordance with FRS102.

**2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

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## HORTICAP

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

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#### 2. Accounting policies (continued)

##### 2.13 Fund accounting (continued)

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### 3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Valuation of nursery stock

The nursery stock valuation is based on the total cost of inputs required to bring it to its condition at the year end. This includes an estimate of the proportion of total overheads input.

#### 4. Income from donations and grants

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations and grants	81,130	28,500	109,630	118,101
Total 2024	103,101	15,000	118,101	

**HORTICAP**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

**5. Income from charitable activities**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Student funding	314,108	<b>314,108</b>	425,103
Total 2024	425,103	425,103	

**6. Income from other trading activities**

**Income from fundraising events**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Fundraising events	1,216	<b>1,216</b>	11,024
Total 2024	11,024	11,024	

**Income from non charitable trading activities**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Retail sales, café, contract work and events	881,344	<b>881,344</b>	1,255,081
Total 2024	1,255,081	1,255,081	

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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**7. Investment income**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Bank interest receivable	2,125	<b>2,125</b>	4,132
	<hr/>	<hr/>	<hr/>
Total 2024	4,132	<b>4,132</b>	
	<hr/>	<hr/>	

**8. Expenditure on raising funds*****Costs of other trading activities***

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Horticultural costs	377,648	<b>377,648</b>	595,993
Light and heat	18,735	<b>18,735</b>	30,578
Repairs and maintenance	6,615	<b>6,615</b>	8,744
Motor vehicle expenses	10,452	<b>10,452</b>	21,594
Sundries	504	<b>504</b>	858
Advertising	891	<b>891</b>	544
Wages and salaries	272,558	<b>272,558</b>	388,822
	<hr/>	<hr/>	<hr/>
	687,403	<b>687,403</b>	1,047,133
	<hr/>	<hr/>	<hr/>
Total 2024	1,047,133	<b>1,047,133</b>	
	<hr/>	<hr/>	

**HORTICAP**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

**9. Analysis of expenditure on charitable activities**

*Summary by fund type*

	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
Charitable activities	531,648	<b>531,648</b>	670,092
Total 2024	670,092	670,092	

**10. Analysis of expenditure by activities**

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Charitable activities	489,049	42,599	<b>531,648</b>	670,092
Total 2024	638,701	31,391	670,092	

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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**10. Analysis of expenditure by activities (continued)****Analysis of direct costs**

	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Staff costs	<b>328,694</b>	425,840
Pension costs	<b>15,895</b>	23,157
Repairs and maintenance	<b>31,836</b>	36,630
Insurance	<b>17,965</b>	24,442
Telephone	<b>3,871</b>	4,886
Other office costs	<b>31,757</b>	32,104
Depreciation	<b>43,425</b>	67,819
Bank charges	<b>14,311</b>	20,263
Newsletter costs	<b>945</b>	1,945
Loss on disposal of fixed assets	<b>350</b>	1,615
	<b>489,049</b>	638,701

**Analysis of support costs**

	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Governance costs - professional fees	<b>42,599</b>	31,391

**HORTICAP**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

**11. Net income/(expenditure)**

This is stated after charging:

	2025	2024
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	43,425	67,819
Auditor's remuneration -audit	12,880	13,150
Auditor's remuneration - preparation of the financial statements	2,470	2,400
Auditor's remuneration - other services	12,000	-
	<u>12,000</u>	<u>-</u>

**12. Staff costs**

	2025	2024
	£	£
Wages and salaries	552,008	760,788
Social security costs	49,244	53,874
Pension costs	15,895	23,157
	<u>617,147</u>	<u>837,819</u>

Included within wages and salaries are non-statutory termination payments of £nil (2024: £1,000).

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

	2025	2024
	No.	No.
Employees	33	30
	<u>33</u>	<u>30</u>

No employee received remuneration amounting to more than £60,000 in either year.

No remuneration or other benefits from employment with the charity or a related entity were received by the Trustees.

There were no Trustee expenses in either year.

The key management personnel of the charity are those listed on page 1 of these financial statements. The aggregate employment benefits, including employer's national insurance and pension contributions of the key management personnel of the charity were £111,756 for the 12 months (2024: £149,965, 18 months).

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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**13. Tangible fixed assets**

	Land and buildings £	Plant and Machinery £	Motor vehicles £	Office Equipment £	Poly-tunnels £	Total £
<b>Cost or valuation</b>						
At 1 October 2024	1,260,644	57,483	47,971	29,316	17,181	1,412,595
Additions	7,347	425	26,776	1,635	1,625	37,808
Disposals	-	(2,640)	(20,710)	(1,640)	-	(24,990)
At 30 September 2025	<u>1,267,991</u>	<u>55,268</u>	<u>54,037</u>	<u>29,311</u>	<u>18,806</u>	<u>1,425,413</u>
<b>Depreciation</b>						
At 1 October 2024	280,794	44,524	39,952	25,528	12,512	403,310
Charge for the year	32,969	3,173	3,066	2,576	1,641	43,425
On disposals	-	(2,640)	(20,492)	(1,508)	-	(24,640)
At 30 September 2025	<u>313,763</u>	<u>45,057</u>	<u>22,526</u>	<u>26,596</u>	<u>14,153</u>	<u>422,095</u>
<b>Net book value</b>						
At 30 September 2025	<u>954,228</u>	<u>10,211</u>	<u>31,511</u>	<u>2,715</u>	<u>4,653</u>	<u>1,003,318</u>
At 30 September 2024	<u>979,850</u>	<u>12,959</u>	<u>8,019</u>	<u>3,788</u>	<u>4,669</u>	<u>1,009,285</u>

Freehold land with a value of £11,652 (2024: £11,652) is not depreciated.

**14. Stocks**

	2025 £	2024 £
Raw materials and consumables	<u>109,027</u>	<u>88,239</u>

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**HORTICAP**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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**15. Debtors**

	2025 £	2024 £
Trade debtors	32,701	31,469
Prepayments and accrued income	18,506	17,610
	<u>51,207</u>	<u>49,079</u>

**16. Creditors: Amounts falling due within one year**

	2025 £	2024 £
Trade creditors	32,663	22,782
Other taxation and social security	21,354	28,501
Other creditors	5,489	3,569
Accruals and deferred income	37,532	42,521
	<u>97,038</u>	<u>97,373</u>

	2025 £	2024 £
Deferred income at 1 October 2025	18,296	8,514
Income deferred during the year	18,148	18,296
Amounts released from previous periods	(18,296)	(8,514)
	<u>18,148</u>	<u>18,296</u>

At the period end, contracted training income was recognised in deferred income in relation to services which will be delivered in a future financial year.

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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**17. Statement of funds****Statement of funds - current year**

	Balance at 1 October 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2025 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset fund	1,009,285	-	(43,775)	37,808	1,003,318
Septic tank replacement	-	-	-	70,000	70,000
	<u>1,009,285</u>	<u>-</u>	<u>(43,775)</u>	<u>107,808</u>	<u>1,073,318</u>
<b>General funds</b>					
General funds	<u>343,380</u>	<u>1,279,923</u>	<u>(1,175,276)</u>	<u>(78,982)</u>	<u>369,045</u>
<b>Total Unrestricted funds</b>	<u>1,352,665</u>	<u>1,279,923</u>	<u>(1,219,051)</u>	<u>28,826</u>	<u>1,442,363</u>
<b>Restricted funds</b>					
Pizza oven and polytunnels fund	4,443	-	-	(1,625)	2,818
Electric mower fund	1,042	1,000	-	(425)	1,617
Van fund	-	27,500	-	(26,776)	724
	<u>5,485</u>	<u>28,500</u>	<u>-</u>	<u>(28,826)</u>	<u>5,159</u>
<b>Total of funds</b>	<u><u>1,358,150</u></u>	<u><u>1,308,423</u></u>	<u><u>(1,219,051)</u></u>	<u><u>-</u></u>	<u><u>1,447,522</u></u>

**HORTICAP**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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

**Statement of funds - prior year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2024 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset fund	-	-	-	1,009,285	1,009,285
<b>General funds</b>					
General funds	1,127,167	1,798,441	(1,717,225)	(865,003)	343,380
<b>Total Unrestricted funds</b>	<b>1,127,167</b>	<b>1,798,441</b>	<b>(1,717,225)</b>	<b>144,282</b>	<b>1,352,665</b>
<b>Restricted funds</b>					
Fixed assets fund	134,767	-	-	(134,767)	-
Pizza oven and polytunnels fund	-	10,000	-	(5,557)	4,443
Electric mower fund	-	5,000	-	(3,958)	1,042
	134,767	15,000	-	(144,282)	5,485
<b>Total of funds</b>	<b>1,261,934</b>	<b>1,813,441</b>	<b>(1,717,225)</b>	<b>-</b>	<b>1,358,150</b>

Restricted funds represent amounts donated for the acquisition of specific fixed assets. Transfers to unrestricted funds are made when the terms of the donations have been met.

A transfer of £37,808 has been made in the year to designated funds to represent additions and disposals of the tangible fixed assets. A transfer of £70,000 has been made to designated funds to cover the expected cost of replacing the septic tank.

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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**18. Summary of funds****Summary of funds - current year**

	Balance at 1 October 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2025 £
Designated funds	1,009,285	-	(43,775)	107,808	1,073,318
General funds	343,380	1,279,923	(1,175,276)	(78,982)	369,045
Restricted funds	5,485	28,500	-	(28,826)	5,159
	<u>1,358,150</u>	<u>1,308,423</u>	<u>(1,219,051)</u>	<u>-</u>	<u>1,447,522</u>

**Summary of funds - prior year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2024 £
Designated funds	-	-	-	1,009,285	1,009,285
General funds	1,127,167	1,798,441	(1,717,225)	(865,003)	343,380
Restricted funds	134,767	15,000	-	(144,282)	5,485
	<u>1,261,934</u>	<u>1,813,441</u>	<u>(1,717,225)</u>	<u>-</u>	<u>1,358,150</u>

**19. Analysis of net assets between funds****Analysis of net assets between funds - current year**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,003,318	-	1,003,318
Current assets	536,083	5,159	541,242
Creditors due within one year	(97,038)	-	(97,038)
<b>Total</b>	<u>1,442,363</u>	<u>5,159</u>	<u>1,447,522</u>

Unrestricted funds includes designated fixed assets of £1,073,318.

**HORTICAP**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2025**

**19. Analysis of net assets between funds (continued)**

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

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	1,009,285	-	1,009,285
Current assets	440,753	5,485	446,238
Creditors due within one year	(97,373)	-	(97,373)
<b>Total</b>	<b>1,352,665</b>	<b>5,485</b>	<b>1,358,150</b>

**20. Reconciliation of net movement in funds to net cash flow from operating activities**

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	<b>89,372</b>	96,216
<b>Adjustments for:</b>		
Depreciation charges	<b>43,425</b>	67,819
Interest received	<b>(2,125)</b>	(4,132)
Loss on the disposal of fixed assets	<b>350</b>	-
(Increase)/decrease in stocks	<b>(20,788)</b>	21,646
Increase in debtors	<b>(2,128)</b>	(29,295)
(Decrease)/increase in creditors	<b>(335)</b>	54,436
<b>Net cash provided by operating activities</b>	<b>107,771</b>	206,690

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

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**21. Analysis of cash and cash equivalents**

	2025 £	2024 £
Cash in hand	381,008	308,920
<b>Total cash and cash equivalents</b>	<b>381,008</b>	<b>308,920</b>

**22. Analysis of changes in net debt**

	At 1 October 2024 £	Cash flows £	At 30 September 2025 £
Cash at bank and in hand	308,920	72,088	381,008
	<b>308,920</b>	<b>72,088</b>	<b>381,008</b>

The charitable company had no debt in the current year or previous period.

**23. Capital commitments**

The charitable company had no capital commitments in the current year or previous period.

**24. Operating lease commitments**

At 30 September 2025 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	1,613	1,508
Later than 1 year and not later than 5 years	377	1,885
	<b>1,990</b>	<b>3,393</b>

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**HORTICAP**

**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 30 SEPTEMBER 2025*

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**25. Related party transactions**

In 2025, there were donations to the charity totalling £215 (2024: £140) from the Trustees.

There were no other related party transactions in the current year or previous period.

**HORTICAP**

England & Wales - Charity number 517234

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# Accounts

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**HORTICAP**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**HORTICAP**

**(A company limited by guarantee)**

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**HORTICAP****(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**Trustees**

Mrs W Donnan  
Mr C S Scarre, Chairman (resigned 5 October 2023)  
Mr P Hornby, Chair  
Mrs N D Harris  
Mr R A Bath  
Mr A D Garnett (appointed 5 October 2023)  
Ms J L Hall (appointed 11 April 2024)  
Mr R J Marlow (appointed 23 May 2024)

**Company registered number** 01782339

**Charity registered number** 517234

**Registered office**

Bluecoat Wood Nurseries  
Otley Road  
Beckwithshaw  
Harrogate  
HG3 1QL

**Key management personnel**

Ian Bradbury  
Gilvray Croudson  
Mary Lloyd

**Independent auditors**

BHP LLP  
Chartered Accountants  
Rievaulx House  
1 St Mary's Court  
Blossom Street  
York  
YO24 1AH

**Bankers**

HSBC PLC  
7 Prospect Crescent  
Harrogate  
HG1 1RN

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**HORTICAP****(A company limited by guarantee)**

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**CHAIR'S STATEMENT***FOR THE PERIOD ENDED 30 SEPTEMBER 2024*

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The chair presents his statement for the period.

2023/24 has been a period of successes and challenges for Horticap.

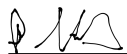
Firstly, Steve Scarre, our Chairman retired in October 2023 after nine years devoted service to Horticap. The charity transformed out of all recognition under his leadership including the development of the café/shop complex and the construction of the student Mess Room facilities. We thank Steve for all that he has done and wish him and Sue best wishes in their retirement.

Secondly, 2024 sees the 40th anniversary of the foundation of Horticap which we are marking with a number of fundraising and commemorative events. We would like to thank all of our supporters for their contributions to our celebration.

We continue to provide a welcoming and supportive environment for our students. As well as our horticultural services our students enjoy a variety of craft activities and, for those who want to be involved, we now have a thriving music group.

Financially we have, for the first time, exceeded £1 million in annual income, the increase largely being a result of the café coming up to speed. Having exceeded the threshold for the requirement for a statutory audit, we invited our accountant TLP and two other professional firms to tender for the preparation and audit of our accounts. We selected BHP LLP and welcome them as our advisors whilst thanking TLP for their services over the years. In order to complete a full first audit, we extended the accounting reference date to 30 September 2024, the figures in the accounts therefore relate to an eighteen month period.

Students amaze us with their progress and eagerness to take on new challenges. We are blessed with a team of dedicated and enthusiastic staff and volunteers, and we are supported generously by local businesses and the local community. All our Trustees continue to provide sound guidance and strategic direction.



Signer ID: 9DYCD9MZZN...

Mr P Hornby

Chair

Date: 29 January 2025

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## HORTICAP

(A company limited by guarantee)

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### TRUSTEES' REPORT

FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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The Trustees present their annual report together with the audited financial statements of the company for the 1 April 2023 to 30 September 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

#### ***Objectives and activities***

##### **a. Policies and objectives**

The charity's objective, as stated in the Memorandum & Articles of Association, is the relief of persons who are physically handicapped or mentally handicapped.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. Our policy framework covers governance and management, operational risk, financial risk, environmental/ external factors and compliance risk. In each of these areas the potential risk impact is continually reviewed together with the steps to mitigate risk. The policy framework and issues arising are reviewed at every Trustee meeting.

It is the policy of the Board to manage Horticap to minimise all risks to our people and our business. This includes primarily occupational risks such as Health, Safety and Security and we will take into account our students, volunteers, staff, customers, visitors and anyone else likely to be affected by our activities. We recognise our students have individual needs and require our particular support and attention. We also recognise that children may be among our guests and visitors and they too need special consideration.

The Board also manages the operations of Horticap to best protect the organisation from avoidable losses or damage to its reputation. This is particularly important because, as a registered charity, we are the custodians of money donated by the public and other organisations and they have a right to expect diligent management of their donations. The Board is also aware of how important Horticap is in the lives of its students and what impact failure of the business would have on them.

Peter Hornby, the Chair has overall responsibility for risk management but designates a Trustee Director, Nicky Harris, to take delegated responsibility for overall co-ordination of Risk Management within Horticap. The designated Health and Safety Officer is Ian Bradbury, General Manager; the staff representative of the Risk and Safety Committee is Dan Williams. All employees and volunteers have the responsibility to cooperate with the General Manager to follow safe systems of work; to take reasonable care of themselves and others, in particular all the students on the premises. Whenever an employee or volunteer notices a health and safety problem, which they are not able to put right they must immediately notify the appropriate person.

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## HORTICAP

(A company limited by guarantee)

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### TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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#### Objectives and activities (continued)

##### b. Public benefit

Our main activities include instructing adults with learning disabilities in horticulture, garden maintenance, woodwork, crafts and allied skills. Our aim is to improve the life skills of these students to enhance their quality of life and in so doing integrate them more fully into the community in which they live.

We provide free public access to our gardens, nature trail and children's play areas which include educational information regarding horticulture, environmental and other matters.

##### c. Activities undertaken to achieve objectives

Our 4-acre site comprises greenhouses, polytunnels, a workshop/recycling facilities, mess room, tool store, education block, a new café and shop along with a show garden, pond, bird hide and wildlife trail. The site is run by a General Manager, a part-time Administration Manager and a part-time Accounts Manager along with 5 full time and 24 part time staff. They are supported by over 20 volunteers and a board of between five and nine directors/trustees.

The students receive such training as their varying abilities allow and also help with all the tasks associated with running a nursery/garden centre. Whilst carrying out these tasks, they are also learning spatial awareness, hand to eye coordination and are benefiting from interaction with others. The trained instructors are supported by a team of volunteers to give each student the help needed.

The produce from the nursery is sold through the shop, at the Harrogate Flower Show, the Great Yorkshire Show and at other events. A newsletter is produced four times per year for students, carers and members of the public and information about the organisation is also available on the website ([www.horticap.org](http://www.horticap.org)), and on social media (Facebook, Instagram, X and LinkedIn). Our shop is staffed by a part-time supervisor and three part-time employees.

#### *Achievements and performance*

##### a. Achievements and performance

Demand for student places has again been steady throughout the year and we have operated at around our maximum capacity.

Income from student funding, which comes mainly via the self-directed care scheme operated by North Yorkshire and other councils has increased from £248,673 in 2022/23 to £425,103 (eighteen month period). We are extremely grateful for the continued support of our local government partners.

Donations (voluntary income) were £118,101 for the eighteen month period (2023: £90,311). Our donors were extremely generous to Horticap. As always, we are extremely grateful for the continued support of the local community and charitable trusts in the North Yorkshire region and beyond.

Together with our own social enterprise earnings we generated a surplus of £96,216 (2022/23: deficit of £3,585 (as restated)) in period ended 30 September 2024. Our underpinning of charitable and commercial performance remains strong.

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**HORTICAP****(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)***FOR THE PERIOD ENDED 30 SEPTEMBER 2024*

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**Achievements and performance (continued)**

The review of staffing levels is an ongoing activity in Horticap to ensure we have the appropriate levels of support and supervision for our students. All staff have their training updated throughout the year, completing a wide range of appropriate courses. We also have a team of dedicated and enthusiastic volunteers and we are supported by local businesses and the local community for which we are extremely grateful.

**Financial review****a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Reserves policy**

Trustees aim to maintain a sensible level of unrestricted net current assets to enable them to react to major reductions in funding levels from existing sources. The trustees still consider £150,000 is still a sensible target as short-term cost reduction measures are available to reduce costs quickly if student numbers were to decline quickly due to lack of funding. Free reserves as at 30 September 2024 are £343,380 (2023: £223,319).

**c. Investments Strategy**

Horticap's investment strategy restricts investment of surplus funds to risk free investments subject to forecast surplus funds being less than £250,000 over a five-year review period. In the event of a £250,000 surplus being available for more than 5 years, other financial instruments would be considered subject to professional advice. The position is reviewed annually and presently the trustees do not consider other financial instruments to be appropriate.

During the year, surplus funds were held in fixed interest deposit accounts, (restricted to £85,000 being the FSCS banking protection limit). Funds with our bankers, HSBC, exceeded that level during the year and the trustees maintain a periodic review of banking related risks.

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**HORTICAP**

**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**

*FOR THE PERIOD ENDED 30 SEPTEMBER 2024*

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**d. Principal risks and uncertainties**

The trustees have considered the risks, uncertainties, impacts and mitigation approaches covering governance and management, operational risk, financial risk, environmental/ external factors and compliance risk.

We consider the principal risks and uncertainties to be:

- Student funding arrangements with local authorities (principally North Yorkshire County Council). Subject to satisfactory compliance (which we manage) the contract with NYCC is in place until 30 November 2027 and is extendable by the Council for two subsequent 12 month periods
- Health and safety risks. The broad range of activities that we conduct on and off site coupled with our students primarily being adults with learning disabilities creates the potential for health and safety incidents. Our mitigation is through a comprehensive approach to risk assessment and capability training coupled with the reporting of every incident and outcome to the Trustee board.
- Management resource and capability. We have a long serving, highly experienced management team who are supported by a team of Instructors and support staff. We enjoy a low level of staff turnover but we are actively engaged in succession planning and the development of our people to become our management team of the future.

***Structure, governance and management*****a. Constitution**

Horticap is registered as a charitable company limited by guarantee. The charity is governed by the Memorandum & Articles of Association incorporated 2 December 1983 as amended by Special Resolutions dated 22 April 1985.

**b. Methods of appointment or election of Trustees**

Initially, potential trustees (who are also the directors of Horticap for the purposes of company law) are identified from the local community using the knowledge of existing Board members who have an extensive network of contacts. We have also used specialist recruitment sources where specific skills or backgrounds have been identified.

During the year the Board continued with its policy that, other than in exceptional circumstances, the maximum tenure of trustees should be nine years and that trustees should be subject to re-election every three years. This is in line with the latest guidance from the Charities Commission and will serve to refresh the talent available to Horticap Limited at trustee level and will in consequence see a number of appointments and retirements in the years to come as current Trustees reach their maximum tenure period.

Steve Scarre, our former Chair retired in October 2023 and Peter Hornby was appointed as the new Chair.

**c. Policies adopted for the induction and training of Trustees**

Before any appointment, potential trustees will meet the other Board members, if appropriate as an observer at a Board meeting. A copy of directors' responsibilities is made available to them together with other documents outlining the general responsibilities of a trustee. On appointment a full induction programme is provided.

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**HORTICAP**

**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**

*FOR THE PERIOD ENDED 30 SEPTEMBER 2024*

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**Structure, governance and management (continued)****d. Pay policy for key management personnel**

Pay and reward for all employees including key management is reviewed annually. The review encompasses the review of available pay data, comparisons with similar organisations/ roles and the progress of individuals, for example taking on greater responsibilities. The review is considered by and challenged by the Trustee board before any rises or changes are implemented.

**e. Fundraising**

Horticap benefits from the trust, generosity and support of both Corporate and Individual donors, and as such our goal is to treat all supporters fairly and ensure our fundraising is legal, open, honest and respectful.

Our approach to fundraising and donations has been developed with reference to The Institute of Fundraising's guidance on the treatment of donors and the Fundraising Regulator's Code of Practice. Fundraising activity covers general donations from the public and applications to charitable grant awarding bodies. We do not employ third party fundraisers and have received no complaints about our fundraising activities.

**Plans for future periods**

We consider that our student population is nearing capacity. Further growth in numbers is limited by the size of the site and facilities required to provide students with good quality activities in the winter months and during inclement weather.

Whilst we do not foresee significant new developments on site, some of our buildings are reaching the end of their useful life and will either need renovation or reconstruction in the next few years. We are also looking to electrify our fleet of vehicles, mowers and other equipment. We commenced fundraising activities, as part of our 40th anniversary celebrations to fund these projects.

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**HORTICAP****(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)***FOR THE PERIOD ENDED 30 SEPTEMBER 2024*

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the company for the purposes 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 period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

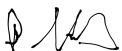
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

The auditors, BHP LLP, were appointed in the year and have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



Signer ID: 9DYCD9MZZN...

**Mr P Hornby**

Chair

Date: 29 January 2025

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**HORTICAP**

**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORTICAP**

---

**Opinion**

We have audited the financial statements of Horticap (the 'charitable company') for the period ended 30 September 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2024 and of its incoming resources and application of resources, including its income and expenditure 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

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**HORTICAP****(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORTICAP (CONTINUED)**

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**Other information**

The other information comprises the information included in the Trustees' Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information. 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.

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

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

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial period for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' report and from the requirement to prepare a Strategic report.

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## HORTICAP

(A company limited by guarantee)

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORTICAP (CONTINUED)

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#### Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

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

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management and trustees, and from our knowledge and experience of this organisation;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities Act 2011, the Companies Act 2006, data protection, health and safety legislation and employment law;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and trustees;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit of the group and parent charitable company.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

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**HORTICAP**

**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORTICAP (CONTINUED)**

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In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Other matters which we are required to address**

Comparative information in the financial statements is derived from the charitable company's prior period financial statements which were not audited.

**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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Signer ID: CRZCVPKXXZ...

**Laura Mashedor (Senior statutory auditor)**

for and on behalf of

**BHP LLP**

Chartered Accountants

Rievaulx House

1 St Mary's Court

Blossom Street

York

YO24 1AH

Date: 29/01/2025 GMT

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**HORTICAP****(A company limited by guarantee)**

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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		<b>Unrestricted funds 2024</b>	<b>Restricted funds 2024</b>	<b>Total funds 2024</b>	As restated Total funds 2023
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from:</b>					
Donations and grants	4	<b>103,101</b>	<b>15,000</b>	<b>118,101</b>	90,311
Charitable activities	5	<b>425,103</b>	-	<b>425,103</b>	248,673
Other trading activities	6	<b>1,266,105</b>	-	<b>1,266,105</b>	638,782
Investments	7	<b>4,132</b>	-	<b>4,132</b>	1,320
<b>Total income</b>		<b>1,798,441</b>	<b>15,000</b>	<b>1,813,441</b>	979,086
<b>Expenditure on:</b>					
Raising funds	8	<b>1,047,133</b>	-	<b>1,047,133</b>	560,091
Charitable activities	9	<b>670,092</b>	-	<b>670,092</b>	422,580
<b>Total expenditure</b>		<b>1,717,225</b>	-	<b>1,717,225</b>	982,671
<b>Net income/(expenditure)</b>		<b>81,216</b>	<b>15,000</b>	<b>96,216</b>	(3,585)
Transfers between funds	18	<b>144,282</b>	<b>(144,282)</b>	-	-
<b>Net movement in funds</b>		<b>225,498</b>	<b>(129,282)</b>	<b>96,216</b>	(3,585)
<b>Reconciliation of funds:</b>					
Total funds brought forward as previously stated		<b>1,159,571</b>	<b>134,767</b>	<b>1,294,338</b>	1,250,275
Prior period adjustment		<b>(32,404)</b>	-	<b>(32,404)</b>	15,244
Total funds brought forward as restated		<b>1,127,167</b>	<b>134,767</b>	<b>1,261,934</b>	1,265,519
Net movement in funds		<b>225,498</b>	<b>(129,282)</b>	<b>96,216</b>	(3,585)
<b>Total funds carried forward</b>	18	<b>1,352,665</b>	<b>5,485</b>	<b>1,358,150</b>	1,261,934

All income and expenditure derives from continuing activities.

The Statement of financial activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

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**HORTICAP****(A company limited by guarantee)**REGISTERED NUMBER: 01782339

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**BALANCE SHEET***AS AT 30 SEPTEMBER 2024*

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	Note	30 September 2024 £	As restated 31 March 2023 £
<b>Fixed assets</b>			
Tangible assets	13	<b>1,009,285</b>	1,035,158
		<hr/>	<hr/>
		<b>1,009,285</b>	1,035,158
<b>Current assets</b>			
Stocks	14	<b>88,239</b>	109,885
Debtors	15	<b>49,079</b>	19,784
Cash at bank and in hand		<b>308,920</b>	140,044
		<hr/>	<hr/>
		<b>446,238</b>	269,713
Creditors: amounts falling due within one year	16	<b>(97,373)</b>	(42,937)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>348,865</b>	226,776
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		<b>1,358,150</b>	1,261,934
		<hr/>	<hr/>
<b>Total net assets</b>		<b>1,358,150</b>	1,261,934
		<hr/> <hr/>	<hr/> <hr/>
<b>Charity funds</b>			
Restricted funds	18	<b>5,485</b>	134,767
Unrestricted funds			
Designated funds	18	<b>1,009,285</b>	-
General funds	18	<b>343,380</b>	1,127,167
		<hr/>	<hr/>
Total unrestricted funds	18	<b>1,352,665</b>	1,127,167
		<hr/>	<hr/>
<b>Total funds</b>		<b>1,358,150</b>	1,261,934
		<hr/> <hr/>	<hr/> <hr/>

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**HORTICAP**

**(A company limited by guarantee)**

REGISTERED NUMBER: 01782339

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**BALANCE SHEET (CONTINUED)**

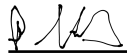
*AS AT 30 SEPTEMBER 2024*

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

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

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



Signer ID: 9DYCD9MZZN...

**Mr P Hornby**

Chair

Date: 29 January 2025

The notes on pages 17 to 34 form part of these financial statements.

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**HORTICAP****(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
*FOR THE PERIOD ENDED 30 SEPTEMBER 2024*

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	Note	2024 £	As restated 2023 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	<b>206,690</b>	(29,912)
<b>Cash flows from investing activities</b>			
Interest received		<b>4,132</b>	1,320
Proceeds from the sale of tangible fixed assets		<b>1,122</b>	2,472
Purchase of tangible fixed assets		<b>(43,068)</b>	(69,325)
<b>Net cash used in investing activities</b>		<b>(37,814)</b>	<b>(65,533)</b>
<b>Change in cash and cash equivalents in the period</b>		<b>168,876</b>	<b>(95,445)</b>
Cash and cash equivalents at the beginning of the period		<b>140,044</b>	235,489
<b>Cash and cash equivalents at the end of the period</b>	22	<b>308,920</b>	140,044

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Bluecoat Wood Nurseries, Otley Road, Beckwithshaw, Harrogate, HG3 1QL.

**2. Accounting policies****2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements are prepared in sterling, which is the functional currency of the entity.

The company is limited by guarantee of up to £5 per member.

**2.2 Going concern**

There are no material uncertainties about the charity's ability to continue as a going concern.

**2.3 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**2.4 Expenditure**

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

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**2. Accounting policies (continued)****2.4 Expenditure (continued)**

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Interest receivable**

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

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following bases:

Freehold buildings	- 2% - 10% straight line
Plant and machinery	- 5%- 20% straight line
Motor vehicles	- 25% reducing balance
Office equipment	- 25% - 33% straight line
Polytunnels	- 25% straight line

Freehold land is not depreciated.

**2.7 Stocks**

Nursery stock is valued at the lower of cost and net realisable value. Cost is calculated by taking the original cost of the plant together with additional inputs to bring it to its condition at the year end.

Café stock is valued at the lower of cost and net realisable value, after making due consideration for obsolete and slow moving stocks.

**2.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**2. Accounting policies (continued)****2.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.10 Liabilities and provisions**

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

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

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

**2.11 Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.12 Employee benefits**

When employees have rendered services to the charity, short term employee benefits to which employees are entitled are recognised as the undiscounted amount expected to be paid in exchange for that service.

**Defined contribution pension scheme**

The company contributes to a defined contribution pension scheme for the benefit of its employees. The pension costs charged against net incoming resources are the contributions payable to the scheme in respect of the accounting period in accordance with FRS102.

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## HORTICAP

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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## 2. Accounting policies (continued)

### 2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

## 3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Valuation of nursery stock

The nursery stock valuation is based on the total cost of inputs required to bring it to its condition at the year end. This includes an estimate of the proportion of total overheads input.

## 4. Income from donations and grants

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations and grants	103,101	15,000	<b>118,101</b>	90,311
Total 2023	90,311	-	90,311	

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**5. Income from charitable activities**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Student funding	425,103	<b>425,103</b>	248,673
	<hr/>	<hr/>	<hr/>
Total 2023	248,673	248,673	
	<hr/>	<hr/>	

**6. Income from other trading activities****Income from fundraising events**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Fundraising events	11,024	<b>11,024</b>	-
	<hr/>	<hr/>	<hr/>

**Income from non charitable trading activities**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Retail sales, café, contract work and events	1,255,081	<b>1,255,081</b>	638,782
	<hr/>	<hr/>	<hr/>
Total 2023	638,782	638,782	
	<hr/>	<hr/>	

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**7. Investment income**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Bank interest receivable	4,132	<b>4,132</b>	1,320
	<hr/>	<hr/>	<hr/>
Total 2023	1,320	1,320	
	<hr/>	<hr/>	

**8. Expenditure on raising funds*****Costs of other trading activities***

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Horticultural costs	595,993	<b>595,993</b>	303,465
Light and heat	30,578	<b>30,578</b>	14,556
Repairs and maintenance	8,744	<b>8,744</b>	12,914
Motor vehicle expenses	21,594	<b>21,594</b>	13,474
Sundries	858	<b>858</b>	960
Advertising	544	<b>544</b>	1,064
Wages and salaries	388,822	<b>388,822</b>	213,658
	<hr/>	<hr/>	<hr/>
	1,047,133	<b>1,047,133</b>	560,091
	<hr/>	<hr/>	<hr/>
Total 2023	560,091	560,091	
	<hr/>	<hr/>	

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**9. Analysis of expenditure on charitable activities*****Summary by fund type***

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total 2024 £</b>	<b>Total 2023 £</b>
Charitable activities	670,092	-	<b>670,092</b>	422,580
Total 2023	411,543	11,037	422,580	

**10. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2024 £</b>	<b>Support costs 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Charitable activities	638,701	31,391	<b>670,092</b>	422,580
Total 2023	411,098	11,482	422,580	

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

---

**10. Analysis of expenditure by activities (continued)****Analysis of direct costs**

	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Staff costs	<b>425,840</b>	278,767
Pension costs	<b>23,157</b>	13,505
Repairs and maintenance	<b>36,630</b>	16,281
Insurance	<b>24,442</b>	12,232
Telephone	<b>4,886</b>	3,248
Other office costs	<b>32,104</b>	30,171
Depreciation	<b>67,819</b>	43,134
Bank charges	<b>20,263</b>	9,828
Newsletter costs	<b>1,945</b>	1,460
Loss on disposal of fixed assets	<b>1,615</b>	2,472
	<b>638,701</b>	411,098

**Analysis of support costs**

	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Governance costs - professional fees	<b>31,391</b>	11,482

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**11. Net income/(expenditure)**

This is stated after charging:

	<b>2024</b>	2023
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	67,819	31,482
Auditor's remuneration -audit	13,150	-
Auditor's remuneration - preparation of the financial statements	2,400	-
	<u>          </u>	<u>          </u>

**12. Staff costs**

	<b>2024</b>	2023
	£	£
Wages and salaries	<b>760,788</b>	462,202
Social security costs	<b>53,874</b>	30,223
Pension costs	<b>23,157</b>	13,505
	<u>          </u>	<u>          </u>
	<b>837,819</b>	505,930
	<u>          </u>	<u>          </u>

Included within wages and salaries are non-statutory termination payments of £1,000 (2023: £nil).

The average number of persons employed by the company during the period was as follows:

	<b>2024</b>	2023
	No.	No.
Employees	<b>30</b>	26
	<u>          </u>	<u>          </u>

No employee received remuneration amounting to more than £60,000 in either period.

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

There were no trustee expenses in either year.

The key management personnel of the charity are those listed on page 1 of these financial statements. The aggregate employment benefits, including employer's national insurance and pension contributions of the key management personnel of the charity were £149,965 for the 18 months (2023: £95,127, 12 months).

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**13. Tangible fixed assets**

	Land and buildings £	Fixtures and Fittings £	Motor vehicles £	Equipment £	Poly-tunnels £	Total £
<b>Cost or valuation</b>						
At 1 April 2023 (as restated)	1,232,004	26,703	67,903	63,707	11,624	1,401,941
Additions	28,640	2,613	-	6,258	5,557	43,068
Disposals	-	-	(19,932)	(12,482)	-	(32,414)
At 30 September 2024	<u>1,260,644</u>	<u>29,316</u>	<u>47,971</u>	<u>57,483</u>	<u>17,181</u>	<u>1,412,595</u>
<b>Depreciation</b>						
At 1 April 2023 (as restated)	231,518	20,215	54,256	49,170	11,624	366,783
Charge for the period	49,276	5,313	4,506	7,836	888	67,819
On disposals	-	-	(18,810)	(12,482)	-	(31,292)
At 30 September 2024	<u>280,794</u>	<u>25,528</u>	<u>39,952</u>	<u>44,524</u>	<u>12,512</u>	<u>403,310</u>
<b>Net book value</b>						
At 30 September 2024	<u>979,850</u>	<u>3,788</u>	<u>8,019</u>	<u>12,959</u>	<u>4,669</u>	<u>1,009,285</u>
At 31 March 2023	<u>1,000,486</u>	<u>6,488</u>	<u>13,647</u>	<u>14,537</u>	<u>-</u>	<u>1,035,158</u>

Freehold land with a value of £11,652 (2023: £11,652) is not depreciated.

**14. Stocks**

	30 September 2024 £	As restated 31 March 2023 £
Raw materials and consumables	<u>88,239</u>	<u>109,885</u>

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**15. Debtors**

	<b>30 September 2024</b>	31 March 2023
	£	£
Trade debtors	<b>31,469</b>	12,331
Other debtors	-	1,640
Prepayments and accrued income	<b>17,610</b>	5,813
	<b>49,079</b>	19,784

**16. Creditors: Amounts falling due within one year**

	<b>30 September 2024</b>	As restated 31 March 2023
	£	£
Trade creditors	<b>22,782</b>	19,391
Other taxation and social security	<b>28,501</b>	5,893
Other creditors	<b>3,569</b>	2,586
Accruals and deferred income	<b>42,521</b>	15,067
	<b>97,373</b>	42,937

	<b>30 September 2024</b>	31 March 2023
	£	£
Deferred income at 1 April 2023	<b>8,514</b>	-
Resources deferred during the period	<b>18,296</b>	8,514
Amounts released from previous periods	<b>(8,514)</b>	-
	<b>18,296</b>	8,514

At the period end, contracted training income was recognised in deferred income in relation to services which will be delivered in a future financial year.

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**17. Prior period adjustments**

Prior period adjustments have been made to the figures previously reported as at 31 March 2023 to include £2,472 of previously unrecorded fixed asset disposals and £29,932 reduction of overstated stock. Also this period, prior period adjustments have been made to figures previously reported as at 31 March 2022 to include £14,733 reduction of a VAT creditor, £11,141 of previously unrecorded fixed assets disposals and £11,652 to remove incorrectly applied depreciation on land. The effects of these adjustments are shown in the table below.

	As previously reported	Adjustment as at 31 March 2023	As restated	
	£	£	£	
<b><i>Changes to the statement of financial activity for period ended 31 March 2023</i></b>				
Cost of raising funds	530,159	29,932	<b>560,091</b>	
Charitable expenditure	420,107	2,472	<b>422,579</b>	
Net movement in funds	28,820	(32,404)	<b>(3,584)</b>	
	<u>                    </u>	<u>                    </u>	<u>                    </u>	
	As previously reported	Adjustment to brought forward at 1 April 2022	Adjustment as at 31 March 2023	As restated
	£	£	£	£
<b><i>Changes to the balance sheet for period ended 31 March 2023</i></b>				
Stocks	139,817	-	(29,932)	<b>109,885</b>
Tangible fixed assets	1,037,199	511	(2,472)	<b>1,035,238</b>
Creditors	(57,670)	14,733	-	<b>(42,937)</b>
<b>Funds</b>				
Unrestricted funds	1,144,327	15,244	(32,404)	<b>1,127,167</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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	£
<b><i>Reconciliation of 2022 Funds</i></b>	
Funds carried forward as at 31 March 2022	<b>1,250,275</b>
Cancelling depreciation of land	<b>11,652</b>
Disposal of tangible fixed assets	<b>(11,141)</b>
Amending VAT creditor	<b>14,733</b>
	<hr/>
<b><i>Restated funds carried forward as at 31 March 2022</i></b>	<b>1,265,519</b> <hr/> <hr/>

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**18. Statement of funds****Statement of funds - current period**

	As restated Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2024 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset fund	-	-	-	1,009,285	1,009,285
<b>General funds</b>					
General funds	1,127,167	1,798,441	(1,717,225)	(865,003)	343,380
<b>Total Unrestricted funds</b>	<b>1,127,167</b>	<b>1,798,441</b>	<b>(1,717,225)</b>	<b>144,282</b>	<b>1,352,665</b>
<b>Restricted funds</b>					
Fixed assets fund	134,767	-	-	(134,767)	-
Pizza oven and polytunnels fund	-	10,000	-	(5,557)	4,443
Electric mower fund	-	5,000	-	(3,958)	1,042
	134,767	15,000	-	(144,282)	5,485
<b>Total of funds</b>	<b>1,261,934</b>	<b>1,813,441</b>	<b>(1,717,225)</b>	<b>-</b>	<b>1,358,150</b>

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**18. Statement of funds (continued)****Statement of funds - prior period**

	As restated Balance at 1 April 2022 £	Income £	Expenditure £	As restated Balance at 31 March 2023 £
<b><i>Unrestricted funds</i></b>				
General funds	1,104,471	979,086	(956,390)	1,127,167
<b><i>Restricted funds</i></b>				
Fixed assets fund	145,804	-	(11,037)	134,767
<b><i>Total of funds</i></b>	<b>1,250,275</b>	<b>979,086</b>	<b>(967,427)</b>	<b>1,261,934</b>

Restricted funds represent amounts donated for the acquisition of fixed assets. Transfers to unrestricted funds are made when the terms of the donations have been met.

A transfer of £1,009,285 has been made in the year to designated funds to represent the net book value of the tangible fixed assets.

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**19. Summary of funds****Summary of funds - current period**

	As restated Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2024 £
Designated funds	-	-	-	1,009,285	1,009,285
General funds	1,127,167	1,798,441	(1,717,225)	(865,003)	343,380
Restricted funds	134,767	15,000	-	(144,282)	5,485
	<u>1,261,934</u>	<u>1,813,441</u>	<u>(1,717,225)</u>	<u>-</u>	<u>1,358,150</u>

**Summary of funds - prior period**

	As restated Balance at 1 April 2022 £	Income £	Expenditure £	As restated Balance at 31 March 2023 £
General funds	1,104,471	979,086	(956,390)	1,127,167
Restricted funds	145,804	-	(11,037)	134,767
	<u>1,250,275</u>	<u>979,086</u>	<u>(967,427)</u>	<u>1,261,934</u>

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

	Unrestricted funds 30 September 2024 £	Restricted funds 30 September 2024 £	Total funds 30 September 2024 £
Tangible fixed assets	1,009,285	-	1,009,285
Current assets	440,753	5,485	446,238
Creditors due within one year	(97,373)	-	(97,373)
<b>Total</b>	<u>1,352,665</u>	<u>5,485</u>	<u>1,358,150</u>

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**20. Analysis of net assets between funds (continued)****Analysis of net assets between funds - prior period**

	As restated Unrestricted funds 31 March 2023 £	Restricted funds 31 March 2023 £	As restated Total funds 31 March 2023 £
Tangible fixed assets	903,848	131,310	1,035,158
Current assets	266,256	3,457	269,713
Creditors due within one year	(42,937)	-	(42,937)
<b>Total As restated</b>	<b>1,127,167</b>	<b>134,767</b>	<b>1,261,934</b>

**21. Reconciliation of net movement in funds to net cash flow from operating activities**

	30 September 2024 £	As restated 31 March 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	<b>96,216</b>	(3,585)
<b>Adjustments for:</b>		
Depreciation charges	<b>67,819</b>	43,134
Interest received	<b>(4,132)</b>	(1,320)
Decrease/(increase) in stocks	<b>21,646</b>	(34,876)
Increase in debtors	<b>(29,295)</b>	(6,503)
Increase/(decrease) in creditors	<b>54,436</b>	(26,762)
<b>Net cash provided by/(used in) operating activities</b>	<b>206,690</b>	(29,912)

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**HORTICAP****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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**22. Analysis of cash and cash equivalents**

	<b>30 September 2024</b>	31 March 2023
	£	£
Cash in hand	<b>308,920</b>	140,044
<b><i>Total cash and cash equivalents</i></b>	<b>308,920</b>	140,044

**23. Analysis of changes in net debt**

	<b>At 1 April 2023</b>	<b>Cash flows</b>	<b>At 30 September 2024</b>
	£	£	£
Cash at bank and in hand	<b>140,044</b>	<b>168,876</b>	<b>308,920</b>
	<b>140,044</b>	<b>168,876</b>	<b>308,920</b>

The charitable company had no debt in the current period or previous year.

**24. Operating lease commitments**

At 30 September 2024 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>30 September 2024</b>	31 March 2023
	£	£
Not later than 1 year	<b>1,508</b>	-
Later than 1 year and not later than 5 years	<b>1,885</b>	-
	<b>3,393</b>	-

**25. Related party transactions**

In 2024, there were donations to the charity totalling £140 from the Trustees.

There were no other related party transactions in the current or previous period.

**HORTICAP**

England & Wales - Charity number 517234

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# Accounts

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COMPANY REGISTRATION NUMBER: 1782339

CHARITY REGISTRATION NUMBER: 517234

**Horticap**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2023**

**TLP CONSULTING LIMITED**

Chartered accountants

3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**Horticap**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 31 March 2023**

	<b>Page</b>
Trustees' annual report (incorporating the director's report)	1
Chartered accountant's report to the board of trustees on the preparation of the unaudited statutory financial statements	7
Statement of financial activities (including income and expenditure account)	8
Statement of financial position	9
Notes to the financial statements	10
<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	20
Notes to the detailed statement of financial activities	22

**Horticap**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2023**

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

**Chair's report**

2022/23 has once again seen a number of changes and developments at Horticap. A number of new students were welcomed to the team. Students amaze us with their progress and eagerness to take on new challenges. Hopkins café, in it's second year of operation, is continuing to become a major attraction. In August 2022 we eventually saw the end of covid testing for staff. We are blessed with a team of dedicated and enthusiastic staff and volunteers, and we are supported generously by local businesses and the local community. All our Trustees continue to provide sound guidance and strategic direction. Thank you all.

Another successful year all round.

I have had the absolute pleasure of chairing the Board for the past nine years and I am due to retire in October 2023 as a Trustee. I know that I will be leaving Horticap in very capable hands

**Reference and administrative details**

**Registered charity name**            Horticap

**Charity registration number**    517234

**Company registration number** 1782339

**Principal office and registered office** 3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**The trustees**

Mrs. W Donnan  
Mr C S Scarre  
Mr P Hornby  
Mrs. N D Harris  
Mr R A Bath

**Accountants**

TLP Consulting Limited  
Chartered Accountants  
3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

# Horticap

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

## INTRODUCTION

2022/23 once again saw a number of changes and developments which contributed to the continued success at Horticap. These enhancements of our offerings have significantly enhanced our student experience. The students again have amazed us how eager they are to take on new challenges. Students have been gradually introduced to sessions in both the shop and Our Hopkins café, moving towards a student presence in each area over five days a week.

Throughout the year we made a number of significant steps forward in the development of the site. These include:

- A comprehensive upgrade of the older mess room.
- Tarmacking the remaining surfaces around the mess rooms and storage spaces. This now completes the tarmac surfacing of the site making it far more accessible and no more muddy feet!
- Installation of concrete bases and storage racking.
- Further development of the garden.
- Establishment of vegetable gardens, which are now in production.

We continue to grow our gardening contracts and have increased the quality of gift items for sale in our shop, which has certainly raised the tone of our customers' shopping experience. Throughout the year the choice and range of hardy plants has expanded with summer bedding plants reaching their peak given the space available and hanging baskets continue to prove popular. Sales of Christmas trees and wreaths exceeded our expectations. Hopkins café has become a popular venue with a wider menu on offer.

## OBJECTIVES AND ACTIVITIES

### Objectives

The charity's objective, as stated in the Memorandum & Articles of Association, is the relief of persons who are physically handicapped or mentally handicapped.

### Activities

Horticap provides supported employment and continuing education primarily for people with learning disabilities. The company raises funds to help finance the activities and operates a nursery, garden, retail shop, undertakes garden maintenance commissions and through Hopkins@Horticap Cafe

The site is run by a general manager, an administration manager and a part time accounts manager along with 8 full time and 18 part time staff. They are supported by over 20 volunteers and a board of between five and nine directors/trustees.

### Public Benefit

Our main activities include teaching horticulture, garden maintenance, woodwork, crafts and allied skills to adults with learning disabilities. Our aim is to improve the life skills of these students to enhance their quality of life and in so doing integrate them more fully into the community in which they live.

We do this at our 4-acre site which now has greenhouses, polytunnels, a workshop/recycling facilities,

# Horticap

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 March 2023

mess room, tool store, education block, a new café and shop along with a show garden, pond, bird hide and wildlife trail.

The students receive such training as their varying abilities allow and also help with all the tasks associated with running a nursery/garden centre. Whilst carrying out these tasks, they are also learning spatial awareness, eye to hand coordination and are benefiting from interaction with others. The trained instructors are supported by a team of volunteers to give each student the help needed.

The produce from the nursery is sold through the shop, at the Harrogate Flower Show, the Great Yorkshire Show and at other events. A newsletter is produced three times per year for students, carers and members of the public and information about the organisation is also available on the website ([www.horticap.org](http://www.horticap.org)), and on social media (Facebook, Instagram, Twitter and LinkedIn). The retail outlet is staffed by a part time supervisor and three part time employees.

#### REVIEW OF THE YEAR

##### Achievements and performance

Demand for student places has again been steady throughout the year and we have operated at around our maximum capacity

-  
Income from student funding, which comes mainly via the self -directed care scheme operated by North Yorkshire and other councils has increased from £226,433 in 2021/22 to £248,673. We are extremely grateful for the continued support of our local government partners.

Donations (voluntary income) were £90,311 (2022 £51,190). Our partners were extremely generous to Horticap. As always we are extremely grateful for the continued support of the local community and charitable trusts in the North Yorkshire region and beyond.

Together with our own social enterprise earnings we generated a surplus of £28,820 (2022 deficit of £23,093) in year ended 31 March 2023. Our underpinning of charitable and commercial performance remains strong.

The review of staffing levels is an ongoing activity in Horticap to ensure we have the appropriate levels of support and supervision for our students. All staff have their training updated throughout the year, completing a wide range of appropriate courses. We have a team of dedicated and enthusiastic staff and volunteers who are supported by local businesses and the local community for which we are eternally grateful.

##### Financial review

Trustees aim to maintain a sensible level of unrestricted net current assets to enable them to react to major reductions in funding levels from existing sources. In previous years that target figure has been £200,000 which represented about 6 months of operating costs. With the new café and shop now operational the directors consider that whilst the cost base has increased the charity is commercially

# Horticap

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 March 2023

more resilient than in previous years. They therefore consider that £150,000 is a sensible target as short-term cost reduction measures are available to the trustees to enable them to reduce costs quickly if student numbers were to decline quickly due to lack of funding. Unrestricted net current assets as at 31 March 2023 were £253,130 (£251,308 at 31 March 2022).

#### Investment strategy

Horticap's investment strategy restricts investment of surplus funds to risk free investments subject to forecast surplus funds being less than £250,000 over a five-year review period. In the event of a £250,000 surplus being available for more than 5 years, other financial instruments would be considered subject to professional advice. The position is reviewed annually and presently the trustees do not consider other financial instruments to be appropriate.

During the year, surplus funds were held in fixed interest deposit accounts, less than £85,000 per banking licence holder although funds with our bankers, HSBC, exceeded that level during the year.

#### Going concern and financial reporting

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### Plans for future periods

We consider that our student population is nearing capacity. Further growth in numbers is limited by facilities on site and by the ability to provide students with good quality activities in the winter months and during inclement weather.

Having completed the construction of our Mess Room and café/shop facilities we do not foresee undertaking further major capital schemes in the short to medium term.

We are mindful that we can be adversely affected by future cost saving initiatives from local government in the adult social care spectrum but we can only react to that if it happens, and maintain a sensible level of reserves to help to manage any impact.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The charity is governed by the Memorandum & Articles of Association incorporated 2 December 1983 as amended by Special Resolutions dated 22 April 1985.

### Appointment of Trustees

Initially, potential trustees (who are also the directors of Horticap for the purposes of company law)

# Horticap

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 March 2023

are identified from the local community using the knowledge of existing Board members who have an extensive network of contacts. Before any appointment, potential trustees will meet the other Board members, if appropriate as an observer at a Board meeting. A copy of directors' responsibilities is made available to them together with other documents outlining the general responsibilities of a trustee. On appointment a full induction programme is provided.

During the year the Board continued with its policy that, other than in exceptional circumstances, the maximum tenure of trustees should be nine years and that trustees should be subject to re-election every three years. This is in line with the latest guidance from the Charities Commission and will serve to refresh the talent available to Horticap Limited at trustee level and will in consequence see a number of appointments and retirements in the years to come as current Trustees reach their maximum tenure period. Steve Scarre, our Chair for the past nine years, is due to retire in October 2023.

#### **Responsibilities of the trustees**

The trustees are responsible for preparing the Trustees Annual 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 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;
- 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 proper 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. The trustees 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.

#### **INDEPENDENT EXAMINER**

TLP Consulting Limited has been re-appointed as independent examiner for the ensuing year.

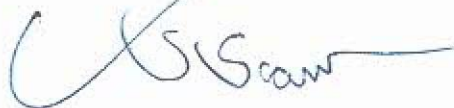
**Horticap**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report) *(continued)***  
**Year ended 31 March 2023**

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Registered office:  
3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

Signed on behalf of the trustees



C S Scarre  
Chairman

Date: 5<sup>th</sup> October 2023

## **Horticap**

**Company Limited by Guarantee**

### **Chartered Accountant's Report to the Board of Trustees on the Preparation of the Unaudited Statutory Financial Statements of Horticap**

**Year ended 31 March 2023**

As described on the statement of financial position, the trustees of the charity are responsible for the preparation of the financial statements for the year ended 31 March 2023, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

You consider that the charity is exempt from an audit under the Companies Act 2006.

In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

**TLP CONSULTING LIMITED**  
Chartered accountants

3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**Horticap**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(Including income and expenditure account)**  
**Year ended 31 March 2023**

	Note	Unrestricted funds £	2023 Restricted funds £	Total funds £	2022 Total funds £
<b>Income and endowments</b>					
Donations and legacies	5	90,311	–	90,311	60,084
Charitable activities	6	248,673	–	248,673	226,433
Other trading activities	7	638,782	–	638,782	445,342
Investment income	8	1,320	–	1,320	1,306
<b>Total income</b>		<u>979,086</u>	<u>–</u>	<u>979,086</u>	<u>733,165</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies	9	1,064	–	1,064	1,726
Costs of other trading activities	10	529,095	–	529,095	378,779
Expenditure on charitable activities	11,12	409,071	11,037	420,107	375,753
<b>Total expenditure</b>		<u>939,230</u>	<u>11,037</u>	<u>950,266</u>	<u>756,258</u>
<b>Net income/(expenditure) and net movement in funds</b>					
		<u>39,856</u>	<u>(11,037)</u>	<u>28,820</u>	<u>(23,093)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>1,104,471</u>	<u>145,804</u>	<u>1,250,275</u>	<u>1,273,368</u>
<b>Total funds carried forward</b>		<u>1,144,327</u>	<u>134,767</u>	<u>1,279,094</u>	<u>1,250,275</u>

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

The notes on pages 10 to 18 form part of these financial statements.

**Horticap**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 March 2023**

	Note	2023 £	£	2022 £
<b>Fixed assets</b>				
Tangible fixed assets	16		1,037,119	1,010,928
<b>Current assets</b>				
Stocks	17	139,817		75,009
Debtors	18	19,784		13,281
Cash at bank and in hand		140,044		235,489
		<u>299,645</u>		<u>323,779</u>
<b>Creditors: amounts falling due within one year</b>	19	<u>57,670</u>		<u>84,432</u>
<b>Net current assets</b>			<u>241,975</u>	<u>239,347</u>
<b>Total assets less current liabilities</b>			<u>1,279,094</u>	<u>1,250,275</u>
<b>Net assets</b>			<u>1,279,094</u>	<u>1,250,275</u>
<b>Funds of the charity</b>				
Restricted funds			134,767	145,804
Unrestricted funds			<u>1,144,327</u>	<u>1,104,471</u>
<b>Total charity funds</b>	21		<u>1,279,094</u>	<u>1,250,275</u>

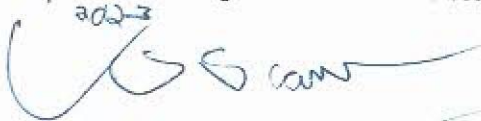
For the year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 5th October 2023, and are signed on behalf of the board by:

  
 Mr C S Scarre  
 Trustee

The notes on pages 10 to 18 form part of these financial statements.

**Horticap**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year ended 31 March 2023**

**1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 3 Greengate, Cardale Park, Harrogate, HG3 1GY.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Going concern**

There are no material uncertainties about the charity's ability to continue.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Horticap

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

All fixed assets are initially recorded at cost.

# Horticap

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Land & Buildings	-	2% - 10% straight line
Plant & Machinery	-	20% straight line
Office Equipment	-	3 years straight line
Polytunnels	-	25% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

# Horticap

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

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

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Limited by guarantee

The company is limited by guarantee of up to £1 per member.

#### 5. Donations and legacies

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
<b>Donations</b>				
Donations & funds raised	90,311	90,311	51,190	51,190

# Horticap

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

##### 5. Donations and legacies *(continued)*

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
<b>Grants</b>				
Government grant income	—	—	8,894	8,894
	90,311	90,311	60,084	60,084

##### 6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other student funding	248,673	248,673	226,433	226,433

##### 7. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Retail sales, contract work and events	638,782	638,782	445,342	445,342

##### 8. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	1,320	1,320	1,306	1,306

##### 9. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of raising donations and legacies - Donations	1,064	1,064	1,726	1,726

##### 10. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Fundraising trading	529,095	529,095	378,779	378,779

# Horticap

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

#### 11. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Direct charitable expenditure	397,589	11,037	408,626
Support costs	11,482	–	11,481
	<u>409,071</u>	<u>11,037</u>	<u>420,107</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Direct charitable expenditure	353,403	11,494	364,897
Support costs	10,856	–	10,856
	<u>364,259</u>	<u>11,494</u>	<u>375,753</u>

#### 12. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023 £	Total fund 2022 £
Direct charitable expenditure	408,626	–	408,626	364,897
Governance costs	–	11,481	11,481	10,856
	<u>408,626</u>	<u>11,481</u>	<u>420,107</u>	<u>375,753</u>

#### 13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>43,134</u>	<u>43,327</u>

#### 14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	492,425	392,078
Other employee benefits	13,505	10,444
	<u>505,930</u>	<u>402,522</u>

The average head count of employees during the year was 26 (2022: 22). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Number of employees	<u>26</u>	<u>22</u>

# Horticap

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

**14. Staff costs *(continued)***

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

**15. Trustee remuneration and expenses**

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees

**16. Tangible fixed assets**

	Land and buildings	Fixtures and fittings	Motor vehicles	Equipment	Poly-tunnels	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 Apr 2022	1,201,377	23,497	67,903	61,060	11,624	1,365,461
Additions	60,353	4,502	–	4,470	–	69,325
<b>At 31 Mar 2023</b>	<u>1,261,730</u>	<u>27,999</u>	<u>67,903</u>	<u>65,530</u>	<u>11,624</u>	<u>1,434,786</u>
<b>Depreciation</b>						
At 1 Apr 2022	227,814	18,679	49,707	46,709	11,624	354,533
Charge for the year	31,408	2,833	4,549	4,344	–	43,134
<b>At 31 Mar 2023</b>	<u>259,222</u>	<u>21,512</u>	<u>54,256</u>	<u>51,053</u>	<u>11,624</u>	<u>397,667</u>
<b>Carrying amount</b>						
At 31 Mar 2023	1,002,508	6,487	13,647	14,477	–	1,037,119
At 31 Mar 2022	973,563	4,818	18,196	14,351	–	1,010,928

**17. Stocks**

	2023	2022
	£	£
Raw materials and consumables	<u>139,817</u>	<u>75,009</u>

**18. Debtors**

	2023	2022
	£	£
Trade debtors	12,331	7,609
Prepayments and accrued income	5,813	5,672
Other debtors	1,640	–
	<u>19,784</u>	<u>13,281</u>

# Horticap

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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

	2023	2022
	£	£
Trade creditors	19,391	39,243
Accruals and deferred income	15,067	16,868
Social security and other taxes	20,626	25,299
Other creditors	2,586	3,022
	<u>57,670</u>	<u>84,432</u>

#### 20. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2023	2022
	£	£
Recognised in income from donations and legacies:		
Government grants income	–	8,894
	<u>–</u>	<u>8,894</u>

#### 21. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
Unrestricted Fund	<u>1,104,471</u>	<u>979,086</u>	<u>(939,230)</u>	<u>1,144,327</u>

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
Unrestricted Fund	<u>1,116,070</u>	<u>733,165</u>	<u>(744,764)</u>	<u>1,104,471</u>

##### Restricted funds

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
Restricted Fund	<u>145,804</u>	<u>–</u>	<u>(11,037)</u>	<u>134,767</u>

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
Restricted Fund	<u>157,298</u>	<u>–</u>	<u>(11,494)</u>	<u>145,804</u>

# Horticap

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

22. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	891,197	131,310	1,022,507
Current assets	253,130	3,457	256,587
<b>Net assets</b>	<b>1,144,327</b>	<b>134,767</b>	<b>1,279,094</b>

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	853,163	142,347	995,510
Current assets	251,308	3,457	254,765
<b>Net assets</b>	<b>1,104,471</b>	<b>145,804</b>	<b>1,250,275</b>

**Horticap**  
**Company Limited by Guarantee**  
**Management Information**  
**Year ended 31 March 2023**

**The following pages do not form part of the financial statements.**

**Horticap**  
**Company Limited by Guarantee**  
**Detailed Statement of Financial Activities**  
**Year ended 31 March 2023**

	2023 £	2022 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations & funds raised	90,311	51,190
Government grant income	-	8,894
	<u>90,311</u>	<u>60,084</u>
<b>Charitable activities</b>		
Other student funding	248,673	226,433
<b>Other trading activities</b>		
Retail sales, contract work and events	638,782	445,342
<b>Investment income</b>		
Bank interest receivable	1,320	1,306
<b>Total income</b>	<u>979,086</u>	<u>733,165</u>

**Horticap**  
**Company Limited by Guarantee**  
**Detailed Statement of Financial Activities** *(continued)*  
**Year ended 31 March 2023**

	2023	2022
	£	£
<b>Expenditure</b>		
<b>Costs of raising donations and legacies</b>		
Advertising	1,064	1,726
	<u>1,064</u>	<u>1,726</u>
<b>Costs of other trading activities</b>		
Purchases		
Wages and salaries	258,977	197,929
Light and heat	213,658	141,158
Repairs and maintenance	29,112	18,239
Motor vehicle expenses	12,914	6,199
Sundries	13,474	14,306
	960	948
	<u>529,095</u>	<u>378,779</u>
<b>Expenditure on charitable activities</b>		
Wages and salaries	278,767	250,920
Other post-retirement benefits	13,505	10,444
Repairs and maintenance	16,281	15,702
Insurance	12,232	10,081
Telephone	3,248	2,992
Other office costs	30,171	24,498
Depreciation	43,134	43,327
Bank charges	21,309	17,069
Newsletter costs	1,460	720
	<u>420,107</u>	<u>375,753</u>
<b>Total expenditure</b>	<u>950,266</u>	<u>756,258</u>
<b>Net income/(expenditure)</b>	<u>28,820</u>	<u>(23,093)</u>

**HORTICAP**

England & Wales - Charity number 517234

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# Accounts

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COMPANY REGISTRATION NUMBER: 1782339  
CHARITY REGISTRATION NUMBER: 517234

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2022**

**TLP CONSULTING LIMITED**

Chartered accountants

3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2022**

	<b>Page</b>
Trustees' annual report (incorporating the director's report)	<b>3</b>
Chartered accountant's report to the board of trustees on the preparation of the unaudited statutory financial statements	<b>8</b>
Statement of financial activities (including income and expenditure account)	<b>9</b>
Statement of financial position	<b>10</b>
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<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	<b>21</b>
Notes to the detailed statement of financial activities	<b>23</b>

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

#### INTRODUCTION

2021/22 has been another year of significant change and continued success for Horticap.

We have now largely emerged from the restrictions placed upon us due to the pandemic. Most of our students have now returned from lockdown and are happily working in the garden centre and off site within the local community. In June 2022 our students were finally able to return to working in the shop and the new café, this has given them a much needed boost and our customers are appreciating having the students back where they belong. We would particularly like to thank our local government partners for continuing their support through the pandemic.

As reported last year the new café, shop and exhibition facilities are now open and are proving to be extremely popular with customers from Harrogate and beyond. The cafe is proving particularly popular. Our chef Chris Walsh has introduced a wide ranging menu and has focused on locally sourced, quality ingredients delivered through an enthusiastic team of staff, students and volunteers. The “Newcomer of the Year” award presented to Chris and his team at the Harrogate Hospitality Awards coupled with a nomination for a Harrogate Business Award is testament to the skill and commitment of everyone involved.

Like all new business ventures we have incurred start-up costs in the months up to the opening of the new café and shop operations. We were careful to make sure that everything to do with the new operation would be carefully planned and resourced so that the operation would be a success from day 1. We also recognise that the new building will carry an annual depreciation charge which will be a permanent factor in our finances for many years to come. This investment is reflected in our financial accounts where we have declared a loss for the first time in many years but sets the platform for a successful commercial operation supporting our student services going forward.

In February we welcomed our patron Alan Titchmarsh to formally open the new building and were delighted to invite our supporters and volunteers along for the occasion. As a charity which is involved with adults with learning disabilities and horticulture we know that Horticap has a special place for Alan and we are extremely grateful for his patronage.

#### OBJECTIVES AND ACTIVITIES

##### Objectives

The charity's objective, as stated in the Memorandum & Articles of Association, is the relief of persons who are physically handicapped or mentally handicapped.

##### Activities

Horticap provides supported employment and continuing education primarily for people with learning disabilities. The company raises funds to help finance the activities and operates a nursery garden, retail shop and undertakes garden maintenance commissions.

The site is run by a general manager, an administration manager and a part time accounts manager along with 5 full time and 4 part time staff. They are supported by over 20 volunteers and a board of between 5 and 9 directors/trustees.

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

#### Public Benefit

Our main activities include teaching horticulture, garden maintenance, woodwork, crafts and allied skills to adults with learning disabilities. Our aim is to improve the life skills of these students to enhance their quality of life and in so doing integrate them more fully into the community in which they live.

We do this at our 4-acre site which now has greenhouses, polytunnels, a workshop/recycling facility, mess room, tool store, education block, a new café and shop along with a show garden, pond, bird hide and wildlife trail.

The students receive such training as their varying abilities allow and also help with all the tasks associated with running a nursery/garden centre. Whilst carrying out these tasks, they are also learning spatial awareness, eye to hand coordination and are benefiting from interaction with others. The trained instructors are supported by a team of volunteers in order to give each student the help needed.

The produce from the nursery is sold through the shop, at the Harrogate Flower Show and at other events. A newsletter is produced three times per year for students, carers and members of the public and information about the organisation is also available on the website ([www.horticap.org](http://www.horticap.org)), on Facebook and via Twitter and Instagram. The retail outlet is staffed by a part time supervisor and 3 part time employees. The tea room is staffed by a full time kitchen manager and a team of 5 full and part time staff assisted by 3 volunteers.

#### REVIEW OF THE YEAR

##### Achievements and performance

Demand for student places has again been high throughout the year and we have operated at the maximum capacity allowed by local authority COVID-19 guidelines

Income from student funding which comes mainly via the Self Directed Care Scheme operated by North Yorkshire and other councils has increased from £218,377 in 2020/21 to £226,433. We are extremely grateful for the continued support of our local government partners throughout the pandemic in what has been an extremely difficult time for our students, staff and volunteers.

Donations (voluntary income) were £51,190 (2021 £96,796). During the pandemic our charity and other partners were extremely generous to Horticap, donation income this year reflects a more normal period of activity. As always we are extremely grateful for the continued support of the local community and charitable trusts in the North Yorkshire region and beyond.

Together with our own social enterprise earnings we generated a deficit of £23,093 (2021 surplus £55,338) in year ending 31 March 2022. This reflects the one off start up costs for our new café and shop facility coupled with an increase in our annual depreciation charges resulting from capital expenditure on the new shop/ café and the upgrade of our customer parking facilities. Our underpinning charitable and commercial performance remains strong.

The review of staffing levels is an ongoing activity in Horticap to ensure we have the appropriate levels of support and supervision for our students.

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 March 2022

All these achievements are as a result of enormous hard work and enthusiasm by our dedicated staff and volunteers who are in turn well supported by local businesses and the community.

#### **Financial review**

Trustees aim to maintain a sensible level of unrestricted net current assets to enable them to react to major reductions in funding levels from existing sources. In previous years that target figure has been £200,000 which represented about 6 months of operating costs. With the new café and shop now operational the directors consider that whilst the cost base has increased the charity is commercially more resilient than in previous years. They therefore consider that £150,000 is a sensible target as short-term cost reduction measures are available to the trustees to enable them to reduce costs quickly if student numbers were to decline quickly due to lack of funding. Unrestricted net current assets at 31 March 2022 were £239,347 (£316,706 at 31 March 2021). The reduction mainly represents the movement of funds from our current and deposit accounts for the construction of our new café and shop development as reported earlier.

#### **Investment strategy**

Horticap's investment strategy restricts investment of surplus funds to risk free investments subject to forecast surplus funds being less than £250,000 over a five-year review period. In the event of a £250,000 surplus being available for more than 5 years, other financial instruments would be considered subject to professional advice. The position is reviewed annually and presently the trustees do not consider other financial instruments to be appropriate.

During the year, surplus funds were held in fixed interest deposit accounts, less than £85,000 per banking licence holder although funds with our bankers, HSBC, exceeded that level during the year.

#### **Going concern and financial reporting**

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### **Plans for future periods**

We consider that our student population is nearing capacity. Further growth in numbers is limited by facilities on site and by the ability to provide students with good quality activities in the winter months and during inclement weather.

Having completed the construction of our Mess Room and café/shop facilities we do not foresee undertaking further major capital schemes in the short to medium term.

We are mindful that we can be adversely affected by future cost saving initiatives from local government in the adult social care spectrum but we can only react to that if it happens, and maintain a sensible level of reserves to help to manage any impact.

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is governed by the Memorandum & Articles of Association incorporated 2 December 1983 as amended by Special Resolutions dated 22 April 1985.

##### Appointment of Trustees

Initially, potential trustees (who are also the directors of Horticap for the purposes of company law) are identified from the local community using the knowledge of existing Board members who have an extensive network of contacts. Before any appointment, potential trustees will meet the other Board members, if appropriate as an observer at a Board meeting. A copy of directors' responsibilities is made available to them together with other documents outlining the general responsibilities of a trustee. On appointment a full induction programme is provided.

During the year the Board continued with its policy that, other than in exceptional circumstances, the maximum tenure of trustees should be 9 years and that trustees should be subject to re-election every 3 years. This is in line with the latest guidance from the Charities Commission and will serve to refresh the talent available to Horticap Limited at trustee level and will in consequence see a number of appointments and retirements in the years to come as current Trustees reach their maximum tenure period.

##### Responsibilities of the trustees

The trustees are responsible for preparing the Trustees Annual 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 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;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 March 2022

the financial statements comply with the Companies Act 2006. The trustees 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.

#### **INDEPENDENT EXAMINER**

TLP Consulting Limited has been re-appointed as independent examiner for the ensuing year.

#### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Registered office:  
3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

Signed on behalf of the trustees

C S Scarre  
Chairman

Date: 13/10/22

# **Horticap Ltd**

## **Company Limited by Guarantee**

### **Chartered Accountant's Report to the Board of Trustees on the Preparation of the Unaudited Statutory Financial Statements of Horticap Ltd**

#### **Year ended 31 March 2022**

As described on the statement of financial position, the trustees of the charity are responsible for the preparation of the financial statements for the year ended 31 March 2022, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

You consider that the charity is exempt from an audit under the Companies Act 2006.

In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

TLP CONSULTING LIMITED  
Chartered accountants

3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

# Horticap Ltd

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2022

		2022	2021		
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	5	60,084	–	<b>60,084</b>	119,193
Charitable activities	6	226,433	–	<b>226,433</b>	218,377
Other trading activities	7	445,342	–	<b>445,342</b>	216,680
Investment income	8	1,306	–	<b>1,306</b>	3,009
<b>Total income</b>		<u>733,165</u>	<u>–</u>	<u><b>733,165</b></u>	<u>557,259</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies	9	1,726	–	<b>1,726</b>	1,032
Costs of other trading activities	10	378,779	–	<b>378,779</b>	180,139
Expenditure on charitable activities	11,12	364,259	11,494	<b>375,753</b>	320,750
<b>Total expenditure</b>		<u>744,764</u>	<u>11,494</u>	<u><b>756,258</b></u>	<u>501,921</u>
<b>Net (expenditure)/income and net movement in funds</b>		<u>(11,599)</u>	<u>(11,494)</u>	<u><b>(23,093)</b></u>	<u>55,338</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,116,070	157,298	<b>1,273,368</b>	1,218,030
<b>Total funds carried forward</b>		<u>1,104,471</u>	<u>145,804</u>	<u><b>1,250,275</b></u>	<u>1,273,369</u>

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

The notes on pages 11 to 19 form part of these financial statements.

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 March 2022**

	Note	2022 £	£	2021 £
<b>Fixed assets</b>				
Tangible fixed assets	16		1,010,928	956,662
<b>Current assets</b>				
Stocks	17	75,009		40,004
Debtors	18	13,281		15,431
Cash at bank and in hand		<u>235,489</u>		<u>301,993</u>
		<b>323,779</b>		<b>357,428</b>
<b>Creditors: amounts falling due within one year</b>	19	<u>84,432</u>		40,722
<b>Net current assets</b>			<u>239,347</u>	<u>316,706</u>
<b>Total assets less current liabilities</b>			<u>1,250,275</u>	<u>1,273,368</u>
<b>Net assets</b>			<u>1,250,275</u>	<u>1,273,368</u>
<b>Funds of the charity</b>				
Restricted funds			145,804	157,298
Unrestricted funds			<u>1,104,471</u>	<u>1,116,070</u>
<b>Total charity funds</b>	21		<u>1,250,275</u>	<u>1,273,368</u>

For the year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 13 October 2022, and are signed on behalf of the board by:

Mr C S Scarre  
Trustee

The notes on pages 11 to 19 form part of these financial statements.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 March 2022

#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 3 Greengate, Cardale Park, Harrogate, HG3 1GY.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

All fixed assets are initially recorded at cost.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Land & Buildings	-	2% - 10% straight line
Plant & Machinery	-	20% straight line
Office Equipment	-	3 years straight line
Polytunnels	-	25% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

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

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Limited by guarantee

The company is limited by guarantee of up to £1 per member.

#### 5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
<b>Donations</b>			
Donations & funds raised	51,190	–	<b>51,190</b>

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 March 2022**

**5. Donations and legacies** *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds <b>2022</b> £
<b>Grants</b>			
Government grant income	8,894	–	<b>8,894</b>
	<u>60,084</u>	<u>–</u>	<u><b>60,084</b></u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations</b>			
Donations & funds raised	91,296	5,500	96,796
<b>Grants</b>			
Government grant income	22,397	–	22,397
	<u>113,693</u>	<u>5,500</u>	<u>119,193</u>

**6. Charitable activities**

	Unrestricted Funds £	Total Funds <b>2022</b> £	Unrestricted Funds £	Total Funds 2021 £
Other student funding	226,433	<b>226,433</b>	218,377	218,377

**7. Other trading activities**

	Unrestricted Funds £	Total Funds <b>2022</b> £	Unrestricted Funds £	Total Funds 2021 £
Retail sales, contract work and events	445,342	<b>445,342</b>	215,890	215,890
Newsletter sponsorships	–	–	790	790
	<u>445,342</u>	<u><b>445,342</b></u>	<u>216,680</u>	<u>216,680</u>

**8. Investment income**

	Unrestricted Funds £	Total Funds <b>2022</b> £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	1,306	<b>1,306</b>	3,009	3,009

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 9. Costs of raising donations and legacies

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Costs of raising donations and legacies - Donations	1,726	<b>1,726</b>	1,032	1,032

#### 10. Costs of other trading activities

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Fundraising trading	378,779	<b>378,779</b>	180,139	180,139

#### 11. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2022 £</b>
Direct charitable expenditure	353,403	11,494	<b>364,897</b>
Support costs	10,856	–	<b>10,856</b>
	<u>364,259</u>	<u>11,494</u>	<b><u>375,753</u></b>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Direct charitable expenditure	299,534	11,378	310,912
Support costs	9,837	–	9,838
	<u>309,371</u>	<u>11,378</u>	<u>320,750</u>

#### 12. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	<b>Total funds 2022 £</b>	Total fund 2021 £
Direct charitable expenditure	364,897	–	<b>364,897</b>	310,912
Governance costs	–	10,856	<b>10,856</b>	9,838
	<u>364,897</u>	<u>10,856</u>	<b><u>375,753</u></b>	<u>320,750</u>

#### 13. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	<b>2022 £</b>	2021 £
Depreciation of tangible fixed assets	<b><u>43,327</u></b>	<u>25,808</u>

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2022</b>	2021
	£	£
Wages and salaries	<b>392,078</b>	275,834
Other employee benefits	<b>10,444</b>	10,484
	<b><u>402,522</u></b>	<u>286,318</u>

The average head count of employees during the year was 22 (2021: 12). The average number of full-time equivalent employees during the year is analysed as follows:

	<b>2022</b>	2021
	No.	No.
Number of employees	<b><u>22</u></b>	<u>12</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

#### 15. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees

#### 16. Tangible fixed assets

	Land and buildings	Fixtures and fittings	Motor vehicles	Equipment	Poly-tunnels	<b>Total</b>
	£	£	£	£	£	£
<b>Cost</b>						
At 1 Apr 2021	1,110,909	18,647	67,903	58,785	11,624	<b>1,267,868</b>
Additions	90,468	4,850	–	2,275	–	<b>97,593</b>
<b>At 31 Mar 2022</b>	<b><u>1,201,377</u></b>	<b><u>23,497</u></b>	<b><u>67,903</u></b>	<b><u>61,060</u></b>	<b><u>11,624</u></b>	<b><u>1,365,461</u></b>
<b>Depreciation</b>						
At 1 Apr 2021	196,697	16,240	43,642	43,003	11,624	<b>311,206</b>
Charge for the year	31,117	2,439	6,065	3,706	–	<b>43,327</b>
<b>At 31 Mar 2022</b>	<b><u>227,814</u></b>	<b><u>18,679</u></b>	<b><u>49,707</u></b>	<b><u>46,709</u></b>	<b><u>11,624</u></b>	<b><u>354,533</u></b>
<b>Carrying amount</b>						
<b>At 31 Mar 2022</b>	<b><u>973,563</u></b>	<b><u>4,818</u></b>	<b><u>18,196</u></b>	<b><u>14,351</u></b>	<b><u>–</u></b>	<b><u>1,010,928</u></b>
At 31 Mar 2021	<u>914,212</u>	<u>2,407</u>	<u>24,261</u>	<u>15,782</u>	<u>–</u>	<u>956,662</u>

#### 17. Stocks

	<b>2022</b>	2021
	£	£
Raw materials and consumables	<b><u>75,009</u></b>	<u>40,004</u>

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 18. Debtors

	2022	2021
	£	£
Trade debtors	7,609	4,388
Prepayments and accrued income	5,672	11,043
	<u>13,281</u>	<u>15,431</u>

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

	2022	2021
	£	£
Trade creditors	39,243	12,338
Accruals and deferred income	16,868	18,230
Social security and other taxes	25,299	7,801
Other creditors	3,022	2,353
	<u>84,432</u>	<u>40,722</u>

#### 20. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022	2021
	£	£
Recognised in income from donations and legacies:		
Government grants income	8,894	22,397
	<u>8,894</u>	<u>22,397</u>

#### 21. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2021	Income £	Expenditure £	At 31 March 20 22 £
Unrestricted Fund 1	1,116,070	733,165	(744,764)	<u>1,104,471</u>

	At 1 April 2020	Income £	Expenditure £	At 31 March 20 21 £
Unrestricted Fund 1	1,054,853	551,759	(490,542)	<u>1,116,070</u>

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 21. Analysis of charitable funds *(continued)*

##### Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 20 22 £
Restricted Fund	157,298	–	(11,494)	<u>145,804</u>

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 20 21 £
Restricted Fund	163,177	5,500	(11,378)	<u>157,299</u>

#### 22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	853,163	142,347	<b>995,510</b>
Current assets	251,308	3,457	<b>254,765</b>
<b>Net assets</b>	<u>1,104,471</u>	<u>145,804</u>	<u><b>1,250,275</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	802,644	153,841	956,485
Current assets	313,426	3,457	316,883
<b>Net assets</b>	<u>1,116,070</u>	<u>157,298</u>	<u>1,273,368</u>

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Management Information**  
**Year ended 31 March 2022**

**The following pages do not form part of the financial statements.**

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Detailed Statement of Financial Activities**  
**Year ended 31 March 2022**

	2022 £	2021 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations & funds raised	51,190	96,796
Government grant income	8,894	22,397
	<u>60,084</u>	<u>119,193</u>
 <b>Charitable activities</b>		
Other student funding	<u>226,433</u>	<u>218,377</u>
 <b>Other trading activities</b>		
Retail sales, contract work and events	445,342	215,890
Newsletter sponsorships	-	790
	<u>445,342</u>	<u>216,680</u>
 <b>Investment income</b>		
Bank interest receivable	<u>1,306</u>	<u>3,009</u>
 <b>Total income</b>	<u><u>733,165</u></u>	<u><u>557,259</u></u>

# Horticap Ltd

## Company Limited by Guarantee

### Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2022

	2022 £	2021 £
<b>Expenditure</b>		
<b>Costs of raising donations and legacies</b>		
Advertising	<u>1,726</u>	<u>1,032</u>
<b>Costs of other trading activities</b>		
Purchases	<b>197,929</b>	102,020
Wages and salaries	<b>141,158</b>	40,697
Light and heat	<b>18,239</b>	14,645
Repairs and maintenance	<b>6,199</b>	8,995
Motor vehicle expenses	<b>14,306</b>	13,782
Sundries	<b>948</b>	–
	<u><b>378,779</b></u>	<u>180,139</u>
<b>Expenditure on charitable activities</b>		
Wages and salaries	<b>250,920</b>	235,137
Other post-retirement benefits	<b>10,444</b>	10,484
Repairs and maintenance	<b>15,702</b>	7,263
Insurance	<b>10,081</b>	8,218
Telephone	<b>2,992</b>	2,649
Other office costs	<b>24,498</b>	16,336
Depreciation	<b>43,327</b>	25,808
Bank charges	<b>17,069</b>	12,375
Newsletter costs	<b>720</b>	2,480
	<u><b>375,753</b></u>	<u>320,750</u>
<b>Total expenditure</b>	<u><b>756,258</b></u>	<u>501,921</u>
<b>Net (expenditure)/income</b>	<u><b>(23,093)</b></u>	<u>55,338</u>

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2022

	2022 £	2021 £
<b>Costs of raising donations and legacies</b>		
<b>Costs of raising donations and legacies - Donations</b>		
Advertising	<u>1,726</u>	<u>1,032</u>
<b>Costs of raising donations and legacies</b>	<u><u>1,726</u></u>	<u><u>1,032</u></u>
<b>Costs of other trading activities</b>		
<b>Fundraising trading</b>		
Horticultural costs	197,929	102,020
Wages	141,158	40,697
Light & heat	18,239	14,645
Repairs & maintenance	6,199	8,995
Motor vehicle expenses	14,306	13,782
Sundries	948	–
	<u>378,779</u>	<u>180,139</u>
<b>Costs of other trading activities</b>	<u><u>378,779</u></u>	<u><u>180,139</u></u>
<b>Expenditure on charitable activities</b>		
<b>Direct charitable expenditure</b>		
<b>Activities undertaken directly</b>		
Wages/salaries	250,920	235,137
Other post retirement benefits	10,444	10,484
Repairs & maintenance	15,702	7,263
Insurance	10,081	8,218
Telephone	2,992	2,649
Other office costs	24,498	16,336
Depreciation	43,327	25,808
Bank charges	6,213	3,737
Newsletter costs	720	1,280
	<u>364,897</u>	<u>310,912</u>
<b>Governance costs</b>		
Professional fees	10,856	8,638
Independent examiner fees	–	1,200
	<u>10,856</u>	<u>9,838</u>
<b>Expenditure on charitable activities</b>	<u><u>375,753</u></u>	<u><u>320,750</u></u>

**HORTICAP**

England & Wales - Charity number 517234

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# Accounts

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COMPANY REGISTRATION NUMBER: 1782339  
CHARITY REGISTRATION NUMBER: 517234

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2021**

**TLP CONSULTING LIMITED**

Chartered accountants

3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 31 March 2021**

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Chartered accountant's report to the board of trustees on the preparation of the unaudited statutory financial statements	<b>7</b>
Statement of financial activities (including income and expenditure account)	<b>8</b>
Statement of financial position	<b>9</b>
Notes to the financial statements	<b>10</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	<b>20</b>
Notes to the detailed statement of financial activities	<b>22</b>

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2021**

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the company for the year ended 31 March 2020.

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered charity name</b>	Horticap
<b>Charity registration number</b>	517234
<b>Company registration number</b>	1782339
<b>Registered Office</b>	3 Greengate Cardale Park  Harrogate  HG3 1GY

**The trustees**

Mrs W Donnan	
Mrs I A Munro	Retired September 2020
Ms C S Rothwell	
Mr C S Scarre	
Mr P Hornby	
Mrs N D Harris	
Mr R A Bath	
Mr M S Reay	
Mr I Proudler	Appointed November 2020

<b>Accountants</b>	TLP Consulting Limited Chartered Accountants 3 Greengate Cardale Park Harrogate HG3 1 GY
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**Horticap Ltd**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2021**

**INTRODUCTION**

2020/21 has proven to be another very successful year for Horticap despite the impact of COVID-19. We have enjoyed continued commercial success across all of our charitable and commercial operations and have further strengthened our Trustee Board.

The measures introduced to counter the COVID-19 outbreak unfortunately led to our students being unable to access the site. We have worked hard to keep in contact with them remotely and at the time of writing it is good to see many of the returning, albeit on a reduced hours basis.

The construction of our new café, shop and exhibition facilities that we reported in last year's report were completed shortly after the financial year end. We are delighted to announce the appointment of Chris Walsh, a highly experienced local restaurateur and trainer to Horticap to develop and manage our catering offering going forward. He and his team are already attracting former and new customers alike to the site and we are confident that the new café, Hopkins, will contribute to our charitable activities.

Over the years we have been careful with our funds, maintaining a cushion of £200,000 which would cover the operation of the charity if it ever had to face financially challenging times. During the pandemic we have been grateful to enjoy the continued support of our local authority partners and the public and we are confident that Horticap will emerge from the pandemic in a strong financial position.

We decided to refresh our strategic aims and objectives reflecting both the substantial investments that Horticap has made in recent years and the potential impact of the significant housing developments that are planned to surround our site.

Isabel Munro retired from the Trustee Board in September 2020 after 9 years of outstanding contribution to Horticap. Isabel played a significant part in the development of a student-centric focus to everything that Horticap does and she will be missed by everyone involved in our charity. We are delighted to welcome Ian Proudler who joined as a Trustee in November 2020. Ian has worked in the Third Sector for over 25 years and has a proven track record of income generation and fundraising across a diverse range of disciplines and cause types.

**OBJECTIVES AND ACTIVITIES**

**Objectives**

The charity's objective, as stated in the Memorandum & Articles of Association, is the relief of persons who are physically handicapped or mentally handicapped.

**Activities**

Horticap provides supported employment and continuing education primarily for people with learning disabilities. The company raises funds to help finance the activities and operates a nursery garden, retail shop and undertakes garden maintenance commissions.

The site, including the shop and café, is run by a general manager, an administration manager and a

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2021**

part time accounts manager along with 4 full time and 5 part time staff. They are supported by over 30 volunteers and a board of between 7 and 9 directors/trustees.

### **Public Benefit**

Our main activities include teaching horticulture, garden maintenance, woodwork, crafts and allied skills to adults with learning disabilities. Our aim is to improve the life skills of these students to enhance their quality of life and in so doing integrate them more fully into the community in which they live.

We do this at our 4-acre site which now has greenhouses, polytunnels, a workshop/recycling facility, mess room, tool store, education block, a new café and shop along with a show garden, pond, bird hide and wildlife trail.

The students receive such training as their varying abilities allow and also help with all the tasks associated with running a nursery/garden centre. Whilst carrying out these tasks, they are also learning spatial awareness, eye to hand coordination and are benefiting from interaction with others. The trained instructors are supported by a team of volunteers in order to give each student the help needed.

The produce from the nursery is sold through the shop, at the Harrogate Flower Show and at other events. A newsletter is produced three times per year for students, carers and members of the public and information about the organisation is also available on the website ([www.horticap.org](http://www.horticap.org)), on Facebook and via Twitter. The retail outlet is staffed by 3 part time employees and additional part time support is brought into the tea room at peak times.

### **REVIEW OF THE YEAR**

#### **Achievements and performance**

Demand for student places has again been high throughout the year and we have operated at the maximum capacity allowed by local authority COVID-19 guidelines

Income from student funding which comes mainly via the Self Directed Care Scheme operated by North Yorkshire and other councils was down from £244,968 in 2019/20 to £218,968 this financial year, a direct result of the pandemic. We are extremely grateful for the continued support of our local government partners through what has been an extremely difficult year for our students, staff and volunteers.

Donations (voluntary income) were £96,796 (2020 £65,243) of which £5,500 was restricted for capital purposes. This again is a significant increase on 2020 reflecting the continued support we have received from the local community and charitable trusts in the North Yorkshire region and beyond.

Together with our own social enterprise earnings we generated a surplus of £55,338 (2020 £51,587) in year ending 31 March 2021. In addition to income from donations our underpinning charitable and commercial performance remains strong.

The review of staffing levels is an ongoing activity in Horticap to ensure we have the appropriate levels of support and supervision for our students.

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Horticap has grown again this year. The increase in our available funds will mean that in the future we should be able to help more people with learning disabilities whilst providing an environment which is continually evolving and improving. We spend a lot of time on safety and risk management, with well-established processes throughout the organisation. We continue to win awards at public horticultural shows and our profile in the community is gradually increasing.

All these achievements are as a result of enormous hard work and enthusiasm by our dedicated staff and volunteers who are in turn well supported by local businesses and the community.

### **Financial review**

Trustees aim to maintain a sensible level of unrestricted net current assets to enable them to react to major reductions in funding levels from existing sources. In previous years that target figure has been £200,000 which represented about 6 months of operating costs. The directors consider that £200,000 is a sensible target as short-term cost reduction measures are available to the trustees to enable them to reduce costs quickly if student numbers were to decline quickly due to lack of funding. Unrestricted net current assets at 31 March 2020 were £316,706 (£756,950 at 31 March 2020). The reduction mainly represents the movement of funds from our current and deposit accounts for the construction of our new café and shop development as reported earlier.

### **Investment strategy**

Horticap's investment strategy restricts investment of surplus funds to risk free investments subject to forecast surplus funds being less than £250,000 over a five-year review period. In the event of a £250,000 surplus being available for more than 5 years, other financial instruments would be considered subject to professional advice. The position is reviewed annually and presently the trustees do not consider other financial instruments to be appropriate.

During the year, surplus funds were held in fixed interest deposit accounts, less than £85,000 per banking licence holder although funds with our bankers, HSBC, exceeded that level during the year.

### **Going concern and financial reporting**

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

### **Plans for future periods**

We consider that our student population is currently at capacity. Further growth in numbers is limited by facilities on site and by the ability to provide students with good quality activities in the winter months and during inclement weather.

Having completed the construction of our Mess Room and café/ shop facilities we do not foresee undertaking further major capital schemes in the short to medium term. We will continue to improve the site and are currently working on a "Woodland Walk" nature trail, together with improved parking facilities.

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We are mindful that we can be adversely affected by future cost saving initiatives from local government in the adult social care spectrum but we can only react to that if it happens, and maintain a sensible level of reserves to help to manage any impact.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is governed by the Memorandum & Articles of Association incorporated 2 December 1983 as amended by Special Resolutions dated 22 April 1985.

**Appointment of Trustees**

Initially, potential trustees (who are also the directors of Horticap for the purposes of company law) are identified from the local community using the knowledge of existing Board members who have an extensive network of contacts. Before any appointment, potential trustees will meet the other Board members, if appropriate as an observer at a Board meeting. A copy of directors' responsibilities is made available to them together with other documents outlining the general responsibilities of a trustee. On appointment a full induction programme is provided.

During the year the Board continued with its policy that, other than in exceptional circumstances, the maximum tenure of trustees should be 9 years and that trustees should be subject to re-election every 3 years. This is in line with the latest guidance from the Charities Commission and will serve to refresh the talent available to Horticap Limited at trustee level and will in consequence see a number of appointments and retirements in the years to come as current Trustees reach their maximum tenure period.

**Responsibilities of the trustees**

The trustees are responsible for preparing the Trustees Annual 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 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;

**Horticap Ltd**  
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- 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 proper 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. The trustees 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.

**INDEPENDENT EXAMINER**

TLP Audit Limited has been re-appointed as independent examiner for the ensuing year.

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Registered office:  
3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

Signed on behalf of the trustees

C S Scarre  
Chairman

Date: 30<sup>th</sup> September 2021

# Horticap Ltd

## Company Limited by Guarantee

### Chartered Accountant's Report to the Board of Trustees on the Preparation of the Unaudited Statutory Financial Statements of Horticap Ltd

**Year ended 31 March 2021**

As described on the statement of financial position, the trustees of the charity are responsible for the preparation of the financial statements for the year ended 31 March 2021, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

You consider that the charity is exempt from an audit under the Companies Act 2006.

In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

TLP CONSULTING LIMITED  
Chartered accountants

3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**  
**Year ended 31 March 2021**

		2021	2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	<b>5</b>	113,693	5,500	<b>119,193</b>	65,243
Charitable activities	<b>6</b>	218,377	–	<b>218,377</b>	244,968
Other trading activities	<b>7</b>	216,680	–	<b>216,680</b>	223,420
Investment income	<b>8</b>	3,009	–	<b>3,009</b>	3,884
<b>Total income</b>		<u>551,759</u>	<u>5,500</u>	<u><b>557,259</b></u>	<u>537,515</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies	<b>9</b>	1,032	–	<b>1,032</b>	1,716
Costs of other trading activities	<b>10</b>	180,139	–	<b>180,139</b>	165,038
Expenditure on charitable activities	<b>11,12</b>	309,371	11,378	<b>320,750</b>	310,732
Other expenditure	<b>13</b>	–	–	–	8,442
<b>Total expenditure</b>		<u>490,542</u>	<u>11,378</u>	<u><b>501,921</b></u>	<u>485,928</u>
<b>Net income and net movement in funds</b>		<u>61,217</u>	<u>(5,878)</u>	<u><b>55,338</b></u>	<u>51,587</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,054,853	163,177	<b>1,218,030</b>	1,166,443
<b>Total funds carried forward</b>		<u>1,116,070</u>	<u>157,299</u>	<u><b>1,273,369</b></u>	<u>1,218,030</u>

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

The notes on pages 10 to 18 form part of these financial statements.

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 March 2021**

	Note	2021 £	£	2020 £
<b>Fixed assets</b>				
Tangible fixed assets	17		956,662	461,080
<b>Current assets</b>				
Stocks	18	40,005		35,718
Debtors	19	15,431		42,024
Cash at bank and in hand		301,993		704,308
		<u>357,428</u>		<u>782,050</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>40,722</u>		<u>25,100</u>
<b>Net current assets</b>			<u>316,706</u>	<u>756,950</u>
<b>Total assets less current liabilities</b>			<u>1,273,369</u>	<u>1,218,030</u>
<b>Net assets</b>			<u>1,273,369</u>	<u>1,218,030</u>
<b>Funds of the charity</b>				
Restricted funds			157,299	163,177
Unrestricted funds			1,116,070	1,054,853
<b>Total charity funds</b>	22		<u>1,273,369</u>	<u>1,218,030</u>

For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 30 September 2021, and are signed on behalf of the board by:

Mr C S Scarre  
Trustee

The notes on pages 10 to 18 form part of these financial statements.

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year ended 31 March 2021**

**1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 3 Greengate, Cardale Park, Harrogate, HG3 1GY.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Going concern**

There are no material uncertainties about the charity's ability to continue.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

All fixed assets are initially recorded at cost.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Land & Buildings	-	2% - 10% straight line
Plant & Machinery	-	20% straight line
Office Equipment	-	3 years straight line
Polytunnels	-	25% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

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

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Limited by guarantee

The company is limited by guarantee of up to £1 per member.

#### 5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations</b>			
Donations & funds raised	91,296	5,500	96,796

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

##### 5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Grants</b>			
Government grant income	22,397	–	<b>22,397</b>
	<u>113,693</u>	<u>5,500</u>	<u><b>119,193</b></u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations</b>			
Donations & funds raised	65,243	–	65,243
<b>Grants</b>			
Government grant income	–	–	–
	<u>65,243</u>	<u>–</u>	<u>65,243</u>

##### 6. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Other student funding	218,377	<b>218,377</b>	244,968	244,968

##### 7. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Letting and licensing	–	–	170	170
Retail sales, contract work and events	215,890	<b>215,890</b>	222,065	222,065
Newsletter sponsorships	790	<b>790</b>	1,185	1,185
	<u>216,680</u>	<u><b>216,680</b></u>	<u>223,420</u>	<u>223,420</u>

##### 8. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	3,009	<b>3,009</b>	3,884	3,884

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 9. Costs of raising donations and legacies

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Costs of raising donations and legacies - Donations	1,032	<b>1,032</b>	1,716	1,716

#### 10. Costs of other trading activities

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Fundraising trading	180,139	<b>180,139</b>	165,038	165,038

#### 11. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2021 £</b>
Direct charitable expenditure	299,534	11,378	<b>310,912</b>
Support costs	9,837	–	<b>9,838</b>
	<u>309,371</u>	<u>11,378</u>	<b><u>320,750</u></b>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Direct charitable expenditure	294,772	12,195	306,967
Support costs	3,765	–	3,765
	<u>298,537</u>	<u>12,195</u>	<u>310,732</u>

#### 12. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	<b>Total funds 2021 £</b>	Total fund 2020 £
Direct charitable expenditure	310,912	–	<b>310,912</b>	306,967
Governance costs	–	9,838	<b>9,838</b>	3,765
	<u>310,912</u>	<u>9,838</u>	<b><u>320,750</u></b>	<u>310,732</u>

#### 13. Other expenditure

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Loss on disposal of tangible fixed assets held for charity's own use	–	–	8,442	8,442

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 14. Net income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	25,808	23,750
Loss on disposal of tangible fixed assets	–	8,442
	<u>          </u>	<u>          </u>

#### 15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	275,834	260,687
Other employee benefits	10,484	8,693
	<u>286,318</u>	<u>269,380</u>

The average head count of employees during the year was 12 (2020: 12). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Number of employees	<u>12</u>	<u>12</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

#### 16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

#### 17. Tangible fixed assets

	Land and Fixtures and buildings £	fittings £	Motor vehicles £	Equipment £	Poly-tunnels £	Total £
<b>Cost</b>						
At 1 Apr 2020	613,120	17,177	45,772	58,785	11,624	746,478
Additions	497,789	1,470	22,131	–	–	521,390
<b>At 31 Mar 2021</b>	<u>1,110,909</u>	<u>18,647</u>	<u>67,903</u>	<u>58,785</u>	<u>11,624</u>	<u>1,267,868</u>
<b>Depreciation</b>						
At 1 Apr 2020	181,526	14,853	38,629	38,766	11,624	285,398
Charge for the year	15,171	1,387	5,013	4,237	–	25,808
<b>At 31 Mar 2021</b>	<u>196,697</u>	<u>16,240</u>	<u>43,642</u>	<u>43,003</u>	<u>11,624</u>	<u>311,206</u>
<b>Carrying amount</b>						
<b>At 31 Mar 2021</b>	<u>914,212</u>	<u>2,407</u>	<u>24,261</u>	<u>15,782</u>	<u>–</u>	<u>956,662</u>
At 31 Mar 2020	<u>431,594</u>	<u>2,324</u>	<u>7,143</u>	<u>20,019</u>	<u>–</u>	<u>461,080</u>

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 March 2021**

**18. Stocks**

	2021	2020
	£	£
Raw materials and consumables	<b>40,005</b>	35,718

**19. Debtors**

	2021	2020
	£	£
Trade debtors	<b>4,388</b>	7,476
Prepayments and accrued income	<b>11,043</b>	17,732
Other debtors	–	16,816
	<b>15,431</b>	42,024

**20. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	<b>12,338</b>	13,875
Accruals and deferred income	<b>18,230</b>	3,069
Social security and other taxes	<b>7,801</b>	4,271
Other creditors	<b>2,353</b>	3,885
	<b>40,722</b>	25,100

**21. Government grants**

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	<b>22,397</b>	–

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 22. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Unrestricted Fund 1	<u>1,054,853</u>	<u>551,759</u>	<u>(490,542)</u>	<u>–</u>	<u>1,116,070</u>

	At 1 April 2019	Income	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
Unrestricted Fund 1	<u>982,669</u>	<u>537,515</u>	<u>(473,733)</u>	<u>8,402</u>	<u>1,054,853</u>

##### Restricted funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Restricted Fund	<u>163,177</u>	<u>5,500</u>	<u>(11,378)</u>	<u>–</u>	<u>157,299</u>

	At 1 April 2019	Income	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
Restricted Fund	<u>183,774</u>	<u>–</u>	<u>(12,195)</u>	<u>(8,402)</u>	<u>163,177</u>

#### 23. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Tangible fixed assets	802,644	153,842	<b>956,486</b>
Current assets	<u>313,426</u>	<u>3,457</u>	<b>316,883</b>
<b>Net assets</b>	<u>1,116,070</u>	<u>157,299</u>	<b>1,273,369</b>

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Tangible fixed assets	300,885	160,220	461,105
Current assets	<u>753,968</u>	<u>2,957</u>	<u>756,925</u>
<b>Net assets</b>	<u>1,054,853</u>	<u>163,177</u>	<u>1,218,030</u>

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Management Information**  
**Year ended 31 March 2021**

**The following pages do not form part of the financial statements.**

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Detailed Statement of Financial Activities**  
**Year ended 31 March 2021**

	<b>2021</b> £	2020 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations & funds raised	<b>96,796</b>	65,243
Government grant income	<b>22,397</b>	—
	<b><u>119,193</u></b>	<u>65,243</u>
 <b>Charitable activities</b>		
Other student funding	<b><u>218,377</u></b>	<u>244,968</u>
 <b>Other trading activities</b>		
Letting and licensing	—	170
Retail sales, contract work and events	<b>215,890</b>	222,065
Newsletter sponsorships	<b>790</b>	1,185
	<b><u>216,680</u></b>	<u>223,420</u>
 <b>Investment income</b>		
Bank interest receivable	<b><u>3,009</u></b>	<u>3,884</u>
 <b>Total income</b>	<b><u><u>557,259</u></u></b>	<u><u>537,515</u></u>

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Detailed Statement of Financial Activities** *(continued)*  
**Year ended 31 March 2021**

	2021 £	2020 £
<b>Expenditure</b>		
<b>Costs of raising donations and legacies</b>		
Advertising	<u>1,032</u>	<u>1,716</u>
<b>Costs of other trading activities</b>		
Purchases	102,020	98,589
Wages and salaries	40,697	33,633
Light and heat	14,645	17,049
Repairs and maintenance	8,995	6,225
Motor vehicle expenses	13,782	9,542
	<u>180,139</u>	<u>165,038</u>
<b>Expenditure on charitable activities</b>		
Wages and salaries	235,137	227,054
Other post-retirement benefits	10,484	8,693
Repairs and maintenance	7,263	11,186
Insurance	8,218	8,427
Telephone	2,649	2,202
Other office costs	16,336	22,277
Depreciation	25,808	23,750
Bank charges	12,375	5,006
Newsletter costs	2,480	2,137
	<u>320,750</u>	<u>310,732</u>
<b>Other expenditure</b>		
Loss on disposal of tangible fixed assets held for charity's own use	<u>—</u>	<u>8,442</u>
<b>Total expenditure</b>	<u><u>501,921</u></u>	<u><u>485,928</u></u>
<b>Net income</b>	<u><u>55,338</u></u>	<u><u>51,587</u></u>

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
<b>Costs of raising donations and legacies</b>		
<b>Costs of raising donations and legacies - Donations</b>		
Advertising	1,032	1,716
	<u>1,032</u>	<u>1,716</u>
<b>Costs of raising donations and legacies</b>	<u>1,032</u>	<u>1,716</u>
<b>Costs of other trading activities</b>		
<b>Fundraising trading</b>		
Horticultural costs	102,020	98,589
Wages	40,697	33,633
Light & heat	14,645	17,049
Repairs & maintenance	8,995	6,225
Motor vehicle expenses	13,782	9,542
	<u>180,139</u>	<u>165,038</u>
<b>Costs of other trading activities</b>	<u>180,139</u>	<u>165,038</u>
<b>Expenditure on charitable activities</b>		
<b>Direct charitable expenditure</b>		
<b><i>Activities undertaken directly</i></b>		
Wages/salaries	235,137	227,054
Other post retirement benefits	10,484	8,693
Repairs & maintenance	7,263	11,186
Insurance	8,218	8,427
Telephone	2,649	2,202
Other office costs	16,336	22,277
Depreciation	25,808	23,750
Bank charges	3,737	2,441
Newsletter costs	1,280	937
	<u>310,912</u>	<u>306,967</u>
<b>Governance costs</b>		
Professional fees	8,638	2,565
Independent examiner fees	1,200	1,200
	<u>9,838</u>	<u>3,765</u>
<b>Expenditure on charitable activities</b>	<u>320,750</u>	<u>310,732</u>

**HORTICAP**

England & Wales - Charity number 517234

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# Accounts

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COMPANY REGISTRATION NUMBER: 1782339  
CHARITY REGISTRATION NUMBER: 517234

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2020**

**TLP CONSULTING LIMITED**

Chartered accountants

3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 31 March 2020**

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Statement of financial activities (including income and expenditure account)	<b>8</b>
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Detailed statement of financial activities	<b>19</b>
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**Horticap Ltd**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2020**

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2020.

**Chair's report**

2019/20 has proven to be another very successful year for Horticap tinged by concerns over the impact of COVID-19 and the lockdown which came into force at the end of March 2020. We have enjoyed continued commercial success across all of our charitable and commercial operations and have strengthened further our Trustee Board.

We have made significant progress on the construction of the new café, shop and exhibition facilities that were reported in the 2019 Trustee Annual Report. The architect and potential contractor delays that were reported last year have been overcome in no small measure down to the experience, drive and determination of Trustee Rob Bath who has professionally delivered the most complex and significant project that Horticap has ever undertaken. We now look forward to completion of the project with an official opening scheduled for October 2020 subject to COVID-19 restrictions being in place at the time. The new building will transform the facilities that we can offer to our students, customers and visitors and we see its completion as the start of a new chapter in our development.

The measures introduced to counter the COVID-19 outbreak have unfortunately led to our students being unable to access the site and we are doing our best to keep contact with them remotely.

Over the years we have been careful with our funds, maintaining a cushion of £200,000 which would cover the operation of the charity if it ever had to face financially challenging times. Whilst we have continued to enjoy the continued support of our local authority partners and public we are confident that we can see Horticap emerging from the pandemic in a strong financial position.

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

#### Reference and administrative details

**Registered charity name** Horticap Ltd  
**Charity registration number** 517234  
**Company registration number** 1782339  
**Principal office and registered office** 3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

#### The trustees

Mr D C Hayes	Retired September 2019
Mr A Holey	Retired January 2020
Mrs I A Munro	
Ms C S Rothwell	
Mr C S Scarre	
Mr P Hornby	
Mrs N D Harris	
Mr M Reay	Appointed September 2018
Mr R Bath	Appointed January 2019
Mrs W Donnan	Appointed February 2020

**Accountants** TLP Consulting Limited  
Chartered accountants  
3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

#### Structure, governance and management

##### Governing document

The charity is governed by the Memorandum & Articles of Association incorporated 2 December 1983 as amended by Special Resolutions dated 22 April 1985.

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

#### Appointment of Trustee Directors

Initially, potential trustees are identified from the local community using the knowledge of existing Board members who have an extensive network of contacts. Before any appointment, potential trustees will meet the other Board members, if appropriate as an observer at a Board meeting. A copy of directors' responsibilities is made available to them together with other documents outlining the general responsibilities of a trustee. On appointment a full induction programme is provided.

During the year the Board continued with its policy that, other than in exceptional circumstances, the maximum tenure of Trustees should be 9 years and that Trustees should be subject to re-election every 3 years. This is in line with the latest guidance from the Charities Commission and will serve to refresh the talent available to Horticap Limited at Trustee level and will in consequence see a number of appointments and retirements in the years to come as current Trustees reach their maximum tenure period.

#### Responsibilities of the trustees

The trustees are responsible for preparing the Trustees Annual 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 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;
- 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 proper 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. The trustees 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.

#### Objectives and activities

##### Objectives

The charity's objective as stated in the Memorandum & Articles of Association is the relief of persons who are physically handicapped or mentally handicapped.

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

#### Activities

At Bluecoat Wood Nurseries, Horticap provides supported employment and continuing education primarily for people with learning disabilities. The company raises funds to help finance the activities and operates a nursery garden, retail shop and undertakes garden maintenance commissions.

The site is run by a general manager, an administration manager and a part time accounts manager along with 4 full time and 5 part time staff. They are supported by over 30 volunteers and a board of between 7 and 9 directors/trustees.

#### Public Benefit

Our main activities include teaching horticulture, garden maintenance, woodwork, crafts and allied skills to adults with learning disabilities. Our aim is to improve the life skills of these students to enhance their quality of life and in so doing integrate them more fully into the community in which they live.

We do this at our 4 acre site which now has greenhouses, polytunnels, a workshop/recycling facility, mess room, tool store, education block, a retail shop and tea room along with a show garden, pond, bird hide and wildlife trail.

The students receive such training as their varying abilities allow and also help with all the tasks associated with running a nursery/garden centre. Whilst carrying out these tasks, they are also learning spatial awareness, eye to hand coordination and are benefiting from interaction with others. The trained instructors are supported by a team of volunteers in order to give each student the help needed.

The produce from the nursery is sold through the shop, at the Harrogate Flower Show and at other events. A newsletter is produced three times per year for students, carers and members of the public and information about the organisation is also available on the website ([www.horticap.org](http://www.horticap.org)), on Facebook and via Twitter. The retail outlet is staffed by 3 part time employees and additional part time support is brought into the tea room at peak times.

#### Achievements and performance

Demand for student places has again been high throughout the year and we have operated at full capacity in terms of facilities, instructors and volunteers.

Income from student funding which comes mainly via the Self Directed Care Scheme operated by North Yorkshire and other councils was down very slightly by 1.0% on last year reflecting minor changes in attendance but we remain at full capacity for students.

Donations (voluntary income) were £65,243 (2019 £37,610) none of which was restricted for capital or revenue purposes. This is a significant increase on 2019 reflecting the continued support we have received from the local community and charitable trusts in the North Yorkshire region and beyond.

Together with our own social enterprise earnings we generated a surplus of £51,587 (2019 £43,950) in year ending 31 March 2020. In addition to income from donations our underpinning charitable and commercial performance remains strong.

The review of staffing levels is an ongoing activity in Horticap to ensure we have the appropriate levels of support and supervision for our students.

We continue to try to improve our facilities for the benefits of students and staff and we have been able to make improvements to the mess room and toilet facilities this year.

Horticap has grown again this year. The increase in our available funds will mean that in the future

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 March 2020

we should be able to help more people with learning disabilities whilst providing an environment which is continually evolving and improving. We spend a lot of time on safety and risk management with well

established processes throughout the organisation. We continue to win awards at public horticultural shows and our profile in the community is gradually increasing.

All these achievements are as a result of enormous hard work and enthusiasm by our dedicated staff and volunteers who are in turn well supported by local businesses and the community.

#### Financial Review

Trustees aim to maintain a sensible level of unrestricted net current assets to enable them to react to major reductions in funding levels from existing sources. In previous years that target figure has been £200,000 which represented about 6 months of operating costs. The directors consider that £200,000 is a sensible target as short-term cost reduction measures are available to the trustees to enable them to reduce costs quickly if student numbers were to decline quickly due to lack of funding. Unrestricted net current assets at 31 March 2020 were £756,950 (£829,427 at 31 March 2019). The reduction mainly results from capital expenditure on the new shop/ café and completion of the Mess Room (£141,962) being offset by the surplus for the year (£51,587). The trustees have continued to categorise £350,000 (£500,000 in 2019) as "designated funds" which are earmarked for the shop and café development which commenced during the financial year and is expected to be complete during August 2020.

#### Investment Policy

Horticap's investment strategy restricts investment of surplus funds to risk free investments subject to forecast surplus funds being less than £250,000 over a five year review period. In the event of a £250,000 surplus being available for more than 5 years other financial instruments would be considered subject to professional advice. The position is reviewed annually and presently the trustees do not consider other financial instruments to be appropriate.

During the year, surplus funds were held in fixed interest deposit accounts, less than £85,000 per banking licence holder although funds with our bankers HSBC exceeded that level during the year.

#### Going Concern and Financial Reporting

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### Plans for future periods

We consider that our student population is currently at capacity. Further growth in numbers is limited by facilities on site and by the ability to provide students with good quality activities in the winter months and during inclement weather. We have completed work on increasing the size of our mess room in order to provide better facilities for our students. We commenced work on our new café and shop facility during 2020 which will enable us to expand our retail and catering offers. This in turn will provide some increased capacity to help other potential students to join us and to widen the scope of activity for some of current student to learn new skills under careful supervision.

We are mindful that we can be adversely affected by future cost saving initiatives from local government in the adult social care spectrum but we can only react to that if it happens, and maintain a sensible level of reserves to help to manage any impact.

# Horticap Ltd

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

#### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 24 September 2020 and signed on behalf of the board of trustees by:

Mr C S Scarre  
Trustee

# **Horticap Ltd**

## **Company Limited by Guarantee**

### **Chartered Accountant's Report to the Board of Trustees on the Preparation of the Unaudited Statutory Financial Statements of Horticap Ltd**

**Year ended 31 March 2020**

As described on the statement of financial position, the trustees of the charity are responsible for the preparation of the financial statements for the year ended 31 March 2020, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

You consider that the charity is exempt from an audit under the Companies Act 2006.

In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

TLP CONSULTING LIMITED  
Chartered accountants

3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**  
**Year ended 31 March 2020**

		2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	<b>5</b>	65,243	–	<b>65,243</b>
Charitable activities	<b>6</b>	244,968	–	<b>244,968</b>
Other trading activities	<b>7</b>	223,420	–	<b>223,420</b>
Investment income	<b>8</b>	3,884	–	<b>3,884</b>
<b>Total income</b>		<u>537,515</u>	<u>–</u>	<u>537,515</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of raising donations and legacies	<b>9</b>	1,716	–	<b>1,716</b>
Costs of other trading activities	<b>10</b>	165,038	–	<b>165,038</b>
Expenditure on charitable activities	<b>11,12</b>	298,537	12,195	<b>310,732</b>
Other expenditure	<b>13</b>	8,442	–	<b>8,442</b>
<b>Total expenditure</b>		<u>473,733</u>	<u>12,195</u>	<u>485,928</u>
<b>Net income and net movement in funds</b>		<u>63,782</u>	<u>(12,195)</u>	<u>51,587</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		982,669	183,774	<b>1,166,443</b>
<b>Total funds carried forward</b>		<u>1,046,451</u>	<u>171,579</u>	<u>1,218,030</u>

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

The notes on pages 10 to 17 form part of these financial statements.

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 March 2020**

	Note	2020 £	£	2019 £
<b>Fixed assets</b>				
Tangible fixed assets	17		<b>461,080</b>	337,016
<b>Current assets</b>				
Stocks	18	35,718		26,485
Debtors	19	42,024		23,629
Cash at bank and in hand		704,308		809,078
		<u>782,050</u>		<u>859,192</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>25,100</u>		<u>29,765</u>
<b>Net current assets</b>			<u>756,950</u>	<u>829,427</u>
<b>Total assets less current liabilities</b>			<u>1,218,030</u>	<u>1,166,443</u>
<b>Net assets</b>			<u>1,218,030</u>	<u>1,166,443</u>
<b>Funds of the charity</b>				
Restricted funds			163,177	183,774
Unrestricted funds			1,054,853	982,669
<b>Total charity funds</b>	21		<u>1,218,030</u>	<u>1,166,443</u>

For the year ending 31 March 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 24 September 2020, and are signed on behalf of the board by:

Mr C S Scarre  
Trustee

The notes on pages 10 to 17 form part of these financial statements.

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year ended 31 March 2020**

**1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 3 Greengate, Cardale Park, Harrogate, HG3 1GY.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Going concern**

There are no material uncertainties about the charity's ability to continue.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2020

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

All fixed assets are initially recorded at cost.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2020

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Land & Buildings	-	2% - 10% straight line
Plant & Machinery	-	20% straight line
Office Equipment	-	3 years straight line
Polytunnels	-	25% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

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

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2020

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Limited by guarantee

The company is limited by guarantee of up to £1 per member.

#### 5. Donations and legacies

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
<b>Donations</b>				
Donations & funds raised	65,243	<b>65,243</b>	37,610	37,610

#### 6. Charitable activities

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Other student funding	244,968	<b>244,968</b>	247,530	247,530

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2020

#### 7. Other trading activities

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Letting and licensing	170	<b>170</b>	33	33
Retail sales, contract work and events	222,065	<b>222,065</b>	200,626	200,626
Newsletter sponsorships	1,185	<b>1,185</b>	1,060	1,060
	<u>223,420</u>	<u><b>223,420</b></u>	<u>201,719</u>	<u>201,719</u>

#### 8. Investment income

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	3,884	<b>3,884</b>	3,678	3,678

#### 9. Costs of raising donations and legacies

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Costs of raising donations and legacies - Donations	1,716	<b>1,716</b>	4,569	4,569

#### 10. Costs of other trading activities

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Fundraising trading	165,038	<b>165,038</b>	152,313	152,313

#### 11. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2020 £</b>
Direct charitable expenditure	294,772	12,195	<b>306,967</b>
Support costs	3,765	–	<b>3,765</b>
	<u>298,537</u>	<u>12,195</u>	<u><b>310,732</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Direct charitable expenditure	270,598	12,573	283,171
Support costs	6,534	–	6,534
	<u>277,132</u>	<u>12,573</u>	<u>289,705</u>

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2020

#### 12. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	<b>Total funds 2020 £</b>	Total fund 2019 £
Direct charitable expenditure	306,967	–	<b>306,967</b>	283,171
Governance costs	–	3,765	<b>3,765</b>	6,534
	<u>306,967</u>	<u>3,765</u>	<u><b>310,732</b></u>	<u>289,705</u>

#### 13. Other expenditure

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Loss on disposal of tangible fixed assets held for charity's own use	8,442	<b>8,442</b>	–	–
	<u>8,442</u>	<u><b>8,442</b></u>	<u>–</u>	<u>–</u>

#### 14. Net income

Net income is stated after charging/(crediting):

	<b>2020 £</b>	2019 £
Depreciation of tangible fixed assets	<b>23,750</b>	20,819
Loss on disposal of tangible fixed assets	<b>8,442</b>	–
	<u><b>8,442</b></u>	<u>–</u>

#### 15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2020 £</b>	2019 £
Wages and salaries	<b>260,687</b>	252,031
Other employee benefits	<b>8,693</b>	6,392
	<u><b>269,380</b></u>	<u>258,423</u>

The average head count of employees during the year was 12 (2019: 14). The average number of full-time equivalent employees during the year is analysed as follows:

	<b>2020 No.</b>	2019 No.
Number of employees	<b>12</b>	14
	<u>12</u>	<u>14</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

#### 16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2020

#### 17. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Poly-tunnels £	Total £
<b>Cost</b>						
At 1 Apr 2019	480,903	14,934	40,642	58,226	11,624	<b>606,329</b>
Additions	141,962	2,690	5,130	6,474	–	<b>156,256</b>
Disposals	(9,745)	(447)	–	(5,915)	–	<b>(16,107)</b>
<b>At 31 Mar 2020</b>	<u>613,120</u>	<u>17,177</u>	<u>45,772</u>	<u>58,785</u>	<u>11,624</u>	<u><b>746,478</b></u>
<b>Depreciation</b>						
At 1 Apr 2019	167,279	13,523	36,961	39,926	11,624	<b>269,313</b>
Charge for the year	15,652	1,776	1,668	4,654	–	<b>23,750</b>
Disposals	(1,405)	(446)	–	(5,814)	–	<b>(7,665)</b>
<b>At 31 Mar 2020</b>	<u>181,526</u>	<u>14,853</u>	<u>38,629</u>	<u>38,766</u>	<u>11,624</u>	<u><b>285,398</b></u>
<b>Carrying amount</b>						
<b>At 31 Mar 2020</b>	<u>431,594</u>	<u>2,324</u>	<u>7,143</u>	<u>20,019</u>	<u>–</u>	<u><b>461,080</b></u>
At 31 Mar 2019	<u>313,624</u>	<u>1,411</u>	<u>3,681</u>	<u>18,300</u>	<u>–</u>	<u>337,016</u>

#### 18. Stocks

	2020 £	2019 £
Raw materials and consumables	<u>35,718</u>	<u>26,485</u>

#### 19. Debtors

	2020 £	2019 £
Trade debtors	<u>7,476</u>	<u>7,491</u>
Prepayments and accrued income	<u>17,732</u>	<u>16,138</u>
Other debtors	<u>16,816</u>	<u>–</u>
	<u><b>42,024</b></u>	<u><b>23,629</b></u>

#### 20. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	<u>13,875</u>	<u>11,589</u>
Accruals and deferred income	<u>3,069</u>	<u>5,060</u>
Social security and other taxes	<u>4,271</u>	<u>11,469</u>
Other creditors	<u>3,885</u>	<u>1,647</u>
	<u><b>25,100</b></u>	<u><b>29,765</b></u>

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2020

#### 21. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2019	Income	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
Unrestricted Fund 1	<u>982,669</u>	<u>537,515</u>	<u>(473,733)</u>	<u>8,402</u>	<u>1,054,853</u>

	At 1 April 2018	Income	Expenditure	Transfers	At 31 March 2019
	£	£	£	£	£
Unrestricted Fund 1	<u>926,146</u>	<u>490,537</u>	<u>(434,014)</u>	<u>–</u>	<u>982,669</u>

##### Restricted funds

	At 1 April 2019	Income	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
Restricted Fund	<u>183,774</u>	<u>–</u>	<u>(12,195)</u>	<u>(8,402)</u>	<u>163,177</u>

	At 1 April 2018	Income	Expenditure	Transfers	At 31 March 2019
	£	£	£	£	£
Restricted Fund	<u>196,347</u>	<u>–</u>	<u>(12,573)</u>	<u>–</u>	<u>183,774</u>

#### 22. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Tangible fixed assets	300,885	160,220	<b>461,105</b>
Current assets	<u>753,968</u>	<u>2,957</u>	<u><b>756,925</b></u>
<b>Net assets</b>	<u><b>1,054,853</b></u>	<u><b>163,177</b></u>	<u><b>1,218,030</b></u>

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Tangible fixed assets	156,199	180,817	337,016
Current assets	<u>826,470</u>	<u>2,957</u>	<u>829,427</u>
<b>Net assets</b>	<u><b>982,669</b></u>	<u><b>183,774</b></u>	<u><b>1,166,443</b></u>

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Management Information**  
**Year ended 31 March 2020**

**The following pages do not form part of the financial statements.**

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Detailed Statement of Financial Activities**  
**Year ended 31 March 2020**

	<b>2020</b>	2019
	£	£
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations & funds raised	<u>65,243</u>	<u>37,610</u>
<b>Charitable activities</b>		
Other student funding	<u>244,968</u>	<u>247,530</u>
<b>Other trading activities</b>		
Letting and licensing	170	33
Retail sales, contract work and events	<u>222,065</u>	200,626
Newsletter sponsorships	<u>1,185</u>	<u>1,060</u>
	<u>223,420</u>	<u>201,719</u>
<b>Investment income</b>		
Bank interest receivable	<u>3,884</u>	<u>3,678</u>
<b>Total income</b>	<u><u>537,515</u></u>	<u><u>490,537</u></u>

**Horticap Ltd**  
**Company Limited by Guarantee**  
**Detailed Statement of Financial Activities** *(continued)*  
**Year ended 31 March 2020**

	2020 £	2019 £
<b>Expenditure</b>		
<b>Costs of raising donations and legacies</b>		
Advertising	<u>1,716</u>	<u>4,569</u>
<b>Costs of other trading activities</b>		
Purchases	98,589	87,265
Wages and salaries	33,633	34,082
Light and heat	17,049	15,395
Repairs and maintenance	6,225	6,193
Motor vehicle expenses	9,542	9,378
	<u>165,038</u>	<u>152,313</u>
<b>Expenditure on charitable activities</b>		
Wages and salaries	227,054	217,949
Other post-retirement benefits	8,693	6,392
Repairs and maintenance	11,186	3,676
Insurance	8,427	7,809
Telephone	2,202	2,434
Other office costs	22,277	21,000
Depreciation	23,750	20,819
Bank charges	5,006	7,169
Newsletter costs	2,137	2,457
	<u>310,732</u>	<u>289,705</u>
<b>Other expenditure</b>		
Loss on disposal of tangible fixed assets held for charity's own use	<u>8,442</u>	<u>—</u>
<b>Total expenditure</b>	<u><u>485,928</u></u>	<u><u>446,587</u></u>
<b>Net income</b>	<u><u>51,587</u></u>	<u><u>43,950</u></u>

# Horticap Ltd

## Company Limited by Guarantee

### Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2020

	2020 £	2019 £
<b>Costs of raising donations and legacies</b>		
<b>Costs of raising donations and legacies - Donations</b>		
Advertising	1,716	4,569
	<u>1,716</u>	<u>4,569</u>
<b>Costs of raising donations and legacies</b>	<u>1,716</u>	<u>4,569</u>
<b>Costs of other trading activities</b>		
<b>Fundraising trading</b>		
Horticultural costs	98,589	87,265
Wages	33,633	34,082
Light & heat	17,049	15,395
Repairs & maintenance	6,225	6,193
Motor vehicle expenses	9,542	9,378
	<u>165,038</u>	<u>152,313</u>
<b>Costs of other trading activities</b>	<u>165,038</u>	<u>152,313</u>
<b>Expenditure on charitable activities</b>		
<b>Direct charitable expenditure</b>		
<b><i>Activities undertaken directly</i></b>		
Wages/salaries	227,054	217,949
Otherpost retirement benefits	8,693	6,392
Repairs & maintenance	11,186	3,676
Insurance	8,427	7,809
Telephone	2,202	2,434
Other office costs	22,277	21,000
Depreciation	23,750	20,819
Bank charges	2,441	1,835
Newsletter costs	937	1,257
	<u>306,967</u>	<u>283,171</u>
<b>Governance costs</b>		
Professional fees	2,565	5,334
Independent examiner fees	1,200	1,200
	<u>3,765</u>	<u>6,534</u>
<b>Expenditure on charitable activities</b>	<u>310,732</u>	<u>289,705</u>