

Company Registration Number - 04929060

Charity Registration Number - 1106143

The Hearth Centre (Horsley) Ltd

Report and Accounts

31 December 2021

The Hearth Centre (Horsley) Ltd

Report and Accounts for the year ended 31 December 2021

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The Hearth Centre (Horsley) Ltd
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Trustees' Annual Report for the year ended 31 December 2021

The Trustees present their Report and Accounts for the year ended 31 December 2021, which also comprises the Directors' Report required by the Companies Act 2006.

Reference and administrative details

The charity name

The legal name of the charity is:- The Hearth Centre (Horsley) Ltd

The charity is also known as The Hearth

The charity's areas of operation and UK charitable registration

The charity is registered in England and Wales with the Charity Commission for England and Wales (CCEW) with charity number 1106143.

Legal structure of the charity

The charity is constituted as a company limited by guarantee, registered under the Companies Acts. The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

The governing document is dated: 10 October 2003

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The Trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are:-

The Hearth, Main Road, Horsley, Northumberland, NE15 0NT

Telephone 01661 852545 Email address office@thehearth.co.uk Web address www.thehearth.co.uk

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

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The Trustees in office on the date the report was approved were:-

Jane Gibson - Chair
Natalie Henderson
Jennifer Millard
Christopher Siddle - Treasurer
Avril Robinson
Julie Straw
Dale Robertson *Appointed 14/02/2022*
Debbie Robertson *Appointed 14/02/2022*
Steven Duckworth *Appointed 4/03/2022*
George Stoker *Appointed 5/04/2022*

The Trustees who served as a trustee in the reporting period, and, if applicable, their dates of appointment or resignation during the period were as shown below.

Name	Appointed	Resigned/Retired
Jane Gibson - Chair		
Natalie Henderson		
Jennifer Millard		
Christopher Siddle - Treasurer		
Tony Glover		31/08/2021
Annie Ball		30/09/2021
Pam Hornor		31/12/2021
Maurice Holliday	30/09/2021	28/02/2022
Avril Robinson	30/11/2021	
Julie Straw	31/12/2021	

At the Annual General Meeting Natalie Henderson, Jennifer Millard and Christopher Siddle will retire as trustee by rotation but is eligible for re-election. Avril Robinson, Julie Straw, Dale Robertson, Debbie Robertson, Steven Duckworth and George Stoker will be eligible for re-election as Trustees. Tony Glover and Pamela Hornor retired in 2021, having served their full period of 6 years on the Board.

All the Trustees are also members of the charity.

COVID-19 statement

During 2021, the world continued to be impacted by the COVID-19 emergency. Over this period, The Hearth has seen impacts ranging from full lock-down to partial reopening in concordance with legislation as it has changed. Throughout this period, essential activity (both physical and virtual) continued to ensure The Hearth's safety in preparation to welcome everyone back as and when permitted. In particular, the Trustees would like to thank the team of The Hearth Cafe for keeping this vital resource to the community open throughout the emergency period, supplying meals and food to the community in and around Horsley village. We would also like to send our thanks to all the essential workers who have given service above and beyond the call of duty throughout this emergency and who are ensuring that we will be ready to return to full operational status as legislation permits.

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Total income for 2021 was £47,853 (2020: £41,023; 2019: £50,027) which is a reflection of the lack of activity that the Hearth was able to generate through the majority of the year. In addition to the reduced amount of hall hire we also offered rent reductions to tenants due to their inability to access the studios. However we were able to apply for grants being offered by the Government during the pandemic which totalled £8,458 which went some way to covering the loss of income. Expenditure was also significantly reduced in 2021 as nearly all projects had to be put on hold and we are grateful to Horsley Village Church for reducing our rent payable over this period. Over the year we therefore had a small surplus of £402 (2020: £6,962) due mainly to expenditure having to be deferred again to 2022.

Objects and activities of the charity

The purposes of the charity as set out in its governing document

The Hearth was set up as a project of Horsley Village Church and has the following objectives as revised and adopted 19 July 2004: -

1 To advance the Christian religion.

2 To promote the benefit of the inhabitants of Horsley Village and surrounding areas, young persons, without distinction of sexual orientation, race, political, religious or other opinion by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education and to promote facilities in the interests of social welfare for recreation and other leisure-time occupations with the object of improving the conditions of life for the said inhabitants.

The charity is managed by the Trustees who take due regard to the Charity Commissioners' guidance on public benefit and ensure that the charity meets its objectives and provides public benefits through regular free events, the provision of low rent studios and display space for creative artists, and a commercially run café open to the public. The building complex is Grade II listed and is open to the public seven days a week. There is also a meeting hall available at modest charge to the local community for holding workshops, exhibitions, performances, talks, mother and toddler groups, keep fit and other activities. Some of these activities are run by the charity itself, others by individuals and local organisations.

The Hearth operates as a hub for arts, music, heritage and hospitality, working together with Horsley Village Church for the benefit of the community. Visitors can participate in a wide range of creative activities for adults and children. New art work is always on display by resident artists and studios are open to the public.

In addition to events organised by artists, such as Art Fairs, the charity directly organises a broad programme of performing arts, a heritage programme of talks, creative workshops and encouragement for local organisations and individuals to meet and use the facilities on offer.

The main activities undertaken in relation to those purposes during the year

Objectives at the outset of 2021 were to maintain fundraising activities, to extend the range of activities on offer at the Hearth Centre, to broaden the visitor base and to dynamically engage with the local community, with a particular emphasis on young people under 21 years of age and older people, particularly those negatively impacted by the isolation brought on through the impacts of the Covid emergency.

With the ongoing Covid-19 emergency and the resultant Government interventions throughout 2021, the majority of our physical engagement activities had to be put on hold during periods of lockdown and be greatly changed and reduced during the limited reopening phases. We also made use of digital engagement activities to enable us to continue connecting with our stakeholders even during periods of full lockdown.

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The main activities undertaken during the year to further the charity's purpose for the public benefit

Events

Our Hall reopened for in-person events and activities in May 2021 and we saw nearly 500 hours of Hall bookings for courses, workshops, clubs, events and local groups (2020: 958) throughout the year. These included several of our artists and trustees who were able to deliver workshops in compliance with Covid-19 rules, and Pilates, yoga and the Wool Group resumed after the enforced lockdown. Hall hire rates were reduced to support our users.

Our annual Spring Art Fair, was planned, but fell foul of the extended Spring lockdown. However, in July we were able to hold a Summer Art Fair, with visitor flow and numbers carefully controlled through the advance issue of free, timed entry tickets - this proved very popular and allowed us to welcome over 200 visitors to the Fair. Building on this experience, we also held our Autumn Fair, with an attendance of 721 visitors over the two days. Special thanks go to our friends at National Trust, Gibside, who lent us their gazebo, enabling us to offer three additional exhibitors space for this event.

During the Spring lockdown, The Hearth went digital, with an online free Festival of Kindness running for a week over the end of March and early April, with numerous online events and activities, including art workshops, exercise and meditation classes, heritage talks and music gigs - during this, over 1300 visitors came to our website and raised over £700 in donations.

We also hosted two online talks early in the year one to mark International Womens' Day and one from local author, Val Scully.

Our usual lively programme of gigs and events was curtailed by the lockdown and restrictions, but we were able to hold a concert with local musician Gareth Davies Jones in November and in October, we held our first event in collaboration with regional touring organisers Highlights, welcoming comedian, poet and Radio 4 regular, Kate Fox for an evening of entertainment. We hope to continue this relationship with Highlights in the upcoming year.

We held 4 small, Covid safe events for vulnerable, older members of the local community during Nov and Dec 21 working with a variety of crafting activities all based on a Christmas theme.

In the absence of face to face craft workshops the Craft Team at the Hearth put together Craft boxes to go out free to those in need across our community. We worked with partner organisations on these, including West Northumberland Food Bank; No 28 Community Hub, Hexham; Miners Lamp, Prudhoe; West End Food Bank Newcastle upon Tyne; Age UK and Wylam Library. Approximately 350 packs went out during 2021 for users to take home and enjoy the wellbeing benefits of creativity.

Digital engagement

In addition to the digital events listed above, the Board continued to hold much of its activity online, including:

Monthly board meetings which continued uninterrupted on the Zoom platform,

Our 2021 AGM was a hybrid event, allowing participants who could not attend in person to "Zoom" into the proceedings.

2021 also saw a continuing use of digital communications to promote our activities and we are grateful to Rebecca Vincent and our other artists, Administrator Ali Wilkes and Trustee Jennifer Millard for all their hard work in developing our digital engagement through our Website and Social Media channels.

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People

2021 saw the retirement of two of our longest-standing trustees, Tony Glover and Pam Hornor on the completion of their six-year periods of incumbency. The Board would like to give heartfelt thanks to both of them for all the hard work they have put into supporting The Hearth over this time and we are very grateful that both have also continued to work with us in a voluntary capacity since their retirement.

Two other Trustees, Maurice Holliday and Annie Ball had to step down from the board during 2021 due to personal circumstances, again the Board would like to thank them for their invaluable contributions to the work of The Hearth during their trusteeships. We would also like to thank Maurice Holliday in particular for his many years of tireless voluntary support of The Hearth

The board continued its recruitment drive, which resulted in three new Trustees joining the Board. There are still gaps to be filled and the Board always welcomes expressions of interest to join us

The café continued to operate throughout 2021, including the provision of take-away sales during the lockdown periods which has been much appreciated by visitors and locals alike.

The Trustees continued their review and updating of Hearth policies and procedures.

When permitted, Artists continued to work from their studios throughout 2021, moving their visitor access and sales online as required.

The annual review of tenants' rents and service charges were put on hold for the year and will be revisited in 2022.

Alan Holmes, retired fire officer, continued to assist with fire safety, inspections and reports.

Christine Holmes continued to attend Trustee meetings as the church committee representative.

Over 25 volunteers continued to provide invaluable support, technical and general, for music evenings, events and in support of our community craft sessions

2021 saw the retirement of our long-standing Administrator, Jo Bourne and the Board would like to formally register their thanks to her for all her hard work and support throughout many years of service to The Hearth.

In June 2021, our new Administrator, Ali Wilkes joined us and is proving a highly valued member of our Team.

Public benefit

The Trustees have had regard to the Charities Commission's guidance on public benefit in managing the activities of the charity throughout the year.

Free access to view artists' studios throughout the year when permitted. During restricted access periods a process of controlled access was maintained and artists developed their online display and retail activities.

The Hearth Café continued to grow its reputation and popularity, managing to remain open and producing their delicious offerings and hospitality throughout the year.

Whilst modest charges are made for our gigs these events provide considerable public benefit and were offered free of charge to the public when we moved to digital platforms.

2021 saw the continuation of our grant funded initiative 'Free for Young People' and its extension to providing activities for older people and those impacted negatively by Covid-19.

The Tuesday Wool Group continued to meet twice a month in the hall after Covid-19 restrictions were eased in late Spring.

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Buildings

We regularly make repairs and improvements to the fabric of our Grade II listed buildings in order to make The Hearth and its environment safer, more effective and more energy efficient.

Both contractors and volunteers are essential to the maintenance and good repair of buildings and grounds, and we are very grateful to them for their efforts and diligence.

Wherever possible it is our policy to use local craftsmen and contractors, ensuring that as much of the income of The Hearth is returned to benefit the local economy as possible.

After a robust tendering process we appointed a small firm of professional cleaners to enhance the environment and safety across the Hearth Centre.

The Hall kitchen area underwent a total refurbishment with thanks to Karbon Homes and Magnet Kitchens for financial and in-kind support.

A new hearing loop system was installed in our Hall, extending access to events to visitors who use hearing aids.

We purchased new tables for Hall hirers to use in the Hall plus new inside storage units for the tables for ease of use.

We have continued to make improvements to the structure and appearance of the car park area, including new planting.

Environment

Our updated Environment Policy is now shared with all visiting exhibitors and facility users to encourage them to be as environmentally friendly in the delivery of their activities.

Our new Administrator has been working with our new cleaners, Polish Maids, to make our cleaning consumables greener.

After a robust selection process we appointed a new gardener, Omi Pharcote who has enhanced our outside space in a sympathetic manner.

The contribution of volunteers during the year

Volunteer support continues to prove crucial to the provision of consistent and high-quality activities. The Trustees dedicate many hours of front line support and operate key roles in relation to fund -raising, grant applications, gigs, liaison with tenants, talks, gardening and buildings, and support for artists' events. In particular, during 2021, the Board are to be thanked for all the additional efforts they have put into ensuring the safe continuation of our services in these challenging times.

There are 25 regular volunteers and an increasing pool of occasional volunteers drawn from Horsley Village Church, residents, tenants, former Trustees and friends and family of the Trustees.

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Fundraising

The Board of Trustees are sincerely grateful to the following list of organisations who kindly made awards of grant funding to the Hearth in 2021, plus to those individuals who also made generous donations. Without such support we would be unable to continue to offer the broad range of activities available at the Hearth.

Grant funding from:

Community Foundation	£1,750
North of Tyne Combined Authority - Digital Skills	£1,400
Hadrian Trust	£500
Local Giving / Postcode Neighbourhood Trust	£500
Essity UK Limited	£200
Thompson's of Prudhoe Limited	£200
Wansbeck CVS	£150
Karbon Homes - kitchen units in kind	£1,000

In addition to our grant-making trusts, the Board would also like to thank Northumberland County Council for their support through several grants made to The Hearth under their Coronavirus Recovery and Re-start funding programmes. Without this support, we would not have been able to continue to operate over 2021 and begin to make plans for our return to full operation in 2022. Support included:

Northumberland County Council Covid Recovery and Re-start grants	£8,458
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With the negative impact on our income-generating activities, in particular, the lack of income from Hall hires, reduced rental income and support from our events programme, the Board and staff have worked in partnership with our Artists to develop new fundraising opportunities including:

Our second Hearth Calendar 2022, showcasing beautiful colour images from our artists' work and our Café partners. Sales resulted in over £500 profit and the calendars will act as excellent publicity for the work of The Hearth and our artists throughout 2022.

The Board would like to give their particular thanks to retiring Trustee Pam Hornor who has taken the lead on our fundraising activities throughout her work with The Hearth, to great effect and has continued to do so after her retirement from The Board. Also thanks to our Artist tenants and Administrators, Jo Bourne and Ali Wilkes, for their inspired work on generating new fundraising opportunities for The Hearth, in particular the creation of our calendar.

Structure, governance and management of the charity

The methods used to recruit and appoint new charity trustees

Potential new trustees are identified by the Trustees, interviewed and if suitable are co-opted for the current year and offered for re-appointment by members at the following Annual General Meeting. We advertise and promote trustee vacancies at events such as Artists' Winter and Spring Fairs, in local press and through regional support networks.

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The policies and procedures for the induction and training of trustees

New applicants have an informal meeting with a serving trustee. This meeting outlines the formation of the charity, how The Hearth is structured, the Trustee Board and how it operates plus a tour of the site. The applicant is provided with Charity Commission guides on the role of trustees, the latest accounts and a copy of the latest Trustees' Annual Report.

The applicant is then allowed a period of reflection to consider their ability to commit to participate as a Trustee and how their background adds value to The Hearth.

If the applicant is still keen to participate, they join a Trustee Meeting. At the meeting they introduce themselves providing their background and how they feel they add value to The Hearth. Other trustees have the opportunity to ask questions and view the applicant's performance.

Once the Board of Trustees is comfortable with the applicant, and the applicant is keen to continue, they are invited to all forthcoming trustee meetings and co-opted to the board. The new trustee completes a statement of eligibility and their details are logged with the Charities Commission and Companies House. They are formally re-elected by vote at the following Annual General Meeting.

The charity's organisational structure and how decisions are made

The charity is governed by a Board of Trustees. Trustees have specific roles, namely Chair, Secretary and Treasurer as well as Grant-seeking lead, Buildings and Energy lead, Performing Arts lead and so on. The scope and quality of Board Governance has further developed in 2021 as we continue to adhere to stricter procedural disciplines and develop strategic planning. The Board is accountable to the members of The Hearth Centre (Horsley) Limited in general meeting. At the end of 2021 there were 29 members (up from 26 at end 2020).

Policy, operational and organisational decisions are made collectively by the Board of Trustees and minuted in the records of the Trustees monthly meetings. The Hearth's tenants, employees, volunteers, visitors, and Horsley Village Church members are consulted as and when appropriate.

In spite of the challenges, The Hearth AGM returned as a hybrid event, being held in-person and by Zoom in October 2021, with a reassuring attendance of 13 Members..

The day to day administration of the charity is delegated to the Administrator by the charity Trustees.

In 2021: one Administrator was employed, based on 2 days a week, but with flexibility to work reduced hours during full lockdown periods. Advantage was taken of the Government's Flexible Furlough Grants programme when it became available, returning to full hours of 15 per week in May 2021.

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The charity as a part of a wider network

The Hearth maintains direct links with Horsley Village Church (HVC) and the Northern Synod of the United Reformed Church. 2021 has seen an ongoing review of the Head Lease and annual rent paid by The Hearth to HVC and the Northern Synod.

The Board would like to thank HVC for agreeing to waive the rent paid by The Hearth during full lockdown periods, which contributed greatly towards the ability of the Board to pass this and additional reductions on to the Café and Artist tenants in their rental payments during the most challenging parts of the year.

Informal links continue with other arts and cultural organisations within the region and Community Action Northumberland, a network of small charities and village halls in the county.

Resident artists have professional links with major arts initiatives, such as Northern Print, North East Art Collective and Network Artists in Northumberland.

The Hearth Charity maintains an ongoing relationship with Heddon on the Wall Primary school, working on various projects together.

The charity's relationships with related parties

The charity maintains a close working relationship with Horsley Village Church and a member of the church committee regularly attends the Board of Trustee meetings.

The trustees' bankers and advisors

Bankers Co-operative Bank, Delf House, South Way, Skelmersdale, WN8 6WT
Solicitors Muckle LLP, Time Central, 32 Gallowgate, Newcastle upon Tyne, NE1 4BF

Financial review

The charity's financial position at the end of the year ended 31 December 2021

The financial position of the charity at 31 December 2021 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2021	2020
	£	£
Net income	405	6,962
Unrestricted Revenue Funds available for the general purposes of the charity	(599)	(3,164)
Designated Fixed Asset Funds	2,531	4,691
Total Unrestricted Funds	1,932	1,527
Total Funds	1,932	1,527

Financial review of the position at the reporting date, 31 December 2021

As stated in the introduction to this report, the Trustees consider the financial performance by the charity during the year to have been satisfactory.

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Policies on reserves

The Hearth has steady income with restricted opportunities to increase it and no financial investments. The current reserving policy is to build a balance of c£5,000 as a contingency. The board is working toward the elimination of the deficit on Revenue Accumulated Funds by creating net incoming resource operations and by transfers from Fixed Assets Funds as per policies noted in the financial statements.

Availability and adequacy of assets of each of the funds

The Board of Trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Investment policy and investment objectives

We use a bank with ethical policies.
We encourage the café tenants to source local products when possible.
The café uses Fair Trade products.
Ethical considerations will prevail if surplus funds become available for investment.

The major risks to which the charity is exposed and reviews and systems to mitigate them

The Trustees have an increased awareness of the risk according to the Charity Commission guidance. The minimum statutory risk assessments have been maintained and reviewed by professionals. An increased awareness of governance risks has been achieved and a Trustee allocated to be responsible for this area. This has resulted in a plan to audit all risk assessment, policies and procedures established in 2012 in order to priorities any actions needed. The Charity Commission guide "Charities and Risk Management" formed the framework of the audit, appropriate changes were made and risks have been reviewed on a continuing basis. For example, The Hearth's Safeguarding Policy was reviewed and updated in line with the Charity Commissioner's revised guidelines in 2014. We have a trained First Aider and Fire Officer. The Trustees believe that appropriate insurance cover is in place for employer's liability, public liability, products liability, professional liability (Trustee Indemnity), events, building and contents.

Appropriate licences have been obtained for performing arts.

Principal funding sources in the year and how these support the key objectives of the charity

The principal funding source for the charity continues to be the rental income from the studios, café, and the hall. This is supplemented by income from open weekends, performing arts and heritage programmes.

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Plans for the future

Summary of plans for the future and the trustees' perspective of the future direction of the charity

The Trustees have pursued strategies to cover the short, medium and long-term. These are being re-considered in the light of the consequences of the COVID-19 lockdown. It is hoped the revised strategies will continue to cover:

Short term - maintain existing fundraising activity and seek grants for core costs.

Medium term - develop and deliver plans for enhancement to the visitor experience and introduce more radical fundraising methods.

Longer term - delivering ability to increase capacity for activity, retail space and interactive creative areas.

Details of the Independent Examiner

Michael Ratki FCA DChA
Fellow of The Institute of Chartered Accountants in England and Wales
Pinder & Ratki
7 Lansdowne Terrace, Gosforth
Newcastle upon Tyne
NE3 1HN

Method of preparation of accounts - Small company provisions

The financial statements are set out on pages 15 to 29.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016)

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 15 August 2022.

P J Gibson
Director and Trustee

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Statement of Directors' and Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP).

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial

The law requires that the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

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

The Trustees are also responsible for the contents of the Trustees' Report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' Report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

The Hearth Centre (Horsley) Ltd

Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 December 2021

I report to the Trustees on my examination of the financial statements of the charitable company on pages 15 to 29 for the year ended 31 December 2021 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), published by the Charity Commission for England and Wales (CCEW) and under the historical cost convention and the accounting policies set out on page 20.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report

As described on page 12, you, the charitable company's Trustees, who are also the Directors of the company for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the Companies Act 2006, the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide.

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Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 December 2021

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination and can confirm that:-

The accounts of this charitable company are not required to be audited under Part 16 of the Companies Act 2006;

This is a report in respect of an examination carried out under 145 of the Act and in accordance with directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

accounting records were not kept in respect of the charity as required by Section 386 of the Companies Act 2006 and Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP).

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

Michael Ratki FCA DChA - Independent Examiner
Fellow of The Institute of Chartered Accountants in England and Wales
Pinder & Ratki
7 Lansdowne Terrace, Gosforth
Newcastle upon Tyne
NE3 1HN

This report was signed on 15 August 2022

The Hearth Centre (Horsley) Ltd

Statement of Financial Activities for the year ended 31 December 2021

	Current year unrestricted funds 2021 £	Current year restricted funds 2021 £	Current year total funds 2021 £	Prior year total funds 2020 £
Income and endowments from:				
Donations and legacies	17,647	-	17,647	15,291
Charitable activities	28,186	-	28,186	21,848
Other trading activities	632	-	632	3,307
Other income	103	-	103	578
Total income	<u>46,568</u>	<u>-</u>	<u>46,568</u>	<u>41,024</u>
Expenditure on:				
Raising funds	803	-	803	613
Charitable activities	45,360	-	45,360	33,449
Total expenditure	<u>46,163</u>	<u>-</u>	<u>46,163</u>	<u>34,062</u>
Net income for the year	<u>405</u>	<u>-</u>	<u>405</u>	<u>6,962</u>
Net movement in funds	<u>405</u>	<u>-</u>	<u>405</u>	<u>6,962</u>
Reconciliation of funds:-				
Total funds brought forward	1,527	-	1,527	(5,435)
Total funds carried forward	<u>1,932</u>	<u>-</u>	<u>1,932</u>	<u>1,527</u>

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All the prior year transactions were unrestricted items, and no further analysis is required.

All activities derive from continuing operations.

Resources applied in the year ended 31 December 2021 towards fixed assets for charity use:-

	2021 £	2020 £
Funds generated in the year as detailed in the SOFA	405	6,962
Resources applied on functional fixed assets	(6,849)	-
Net resources available to fund charitable activities	<u>(6,444)</u>	<u>6,962</u>

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

The notes attached on pages 20 to 29 form an integral part of these accounts

The Hearth Centre (Horsley) Ltd

Analysis of prior year total funds as required by paragraph 4.2 of the SORP

	Prior year unrestricted funds 2020 £	Prior year restricted funds 2020 £	Prior year total funds 2020 £
Income from:			
Donations and legacies	15,291		15,291
Charitable activities	21,848	-	21,848
Other trading activities	3,307	-	3,307
Other income	578	-	578
Total income	<u>41,024</u>	<u>-</u>	<u>41,024</u>
Expenditure on:			
Raising funds	613	-	613
Charitable activities	33,449		33,449
Total expenditure	<u>34,062</u>	<u>-</u>	<u>34,062</u>
Net income for the year	6,962	-	6,962
Net movement in funds	<u>6,962</u>	<u>-</u>	<u>6,962</u>
Reconciliation of funds:-			
Total funds brought forward	(5,435)	-	(5,435)
Total funds carried forward	<u>1,527</u>	<u>-</u>	<u>1,527</u>

All activities derive from continuing operations.

The notes attached on pages 20 to 29 form an integral part of these accounts

The Hearth Centre (Horsley) Ltd

Movements in revenue and capital funds for the year ended 31 December 2021

Revenue accumulated funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Last year total funds 2020 £
Accumulated funds brought forward	(3,164)	-	(3,164)	(11,943)
Recognised gains and losses before transfers	405	-	405	6,962
	(2,759)	-	(2,759)	(4,981)
To/(From) unrestricted revenue funds	2,160	-	2,160	1,817
Closing revenue funds	(599)	-	(599)	(3,164)

Fixed asset funds

	Designated funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Last year total funds 2020 £
At 1 January 2021	4,691	-	4,691	6,508
Transfer (to)/from revenue funds	(2,160)	-	(2,160)	(1,817)
At 31 December 2021	2,531	-	2,531	4,691

The purposes of the transfers to fixed asset funds are described in Note 20 to the accounts and under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Summary of funds

	Unrestricted and designated funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Last year total funds 2020 £
Revenue accumulated funds	(599)	-	(599)	(3,164)
Fixed asset funds	2,531	-	2,531	4,691
Total funds	1,932	-	1,932	1,527

The notes attached on pages 20 to 29 form an integral part of these accounts

The Hearth Centre (Horsley) Ltd

Income and Expenditure Account for the year ended 31 December 2021 as required by the Companies Act 2006

	2021 £	2020 £
Income		
Income from operations	46,465	40,446
Other operating income	103	578
Gross income in the year	<u>46,568</u>	<u>41,024</u>
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	40,745	30,242
Depreciation and amortisation	3,075	1,817
Fundraising costs	806	613
Governance costs	1,540	1,390
Total expenditure in the year	<u>46,166</u>	<u>34,062</u>
Net income in the financial year	402	6,962
Transfer of capital grants to fixed asset fund	-	2,496
Retained surplus for the financial year	<u>402</u>	<u>9,458</u>

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure Account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 20 to 29 form an integral part of these accounts

The Hearth Centre (Horsley) Ltd

Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	9,228	5,454
Current assets			
Debtors	11	1,558	796
Cash at bank and in hand		46,763	37,397
		<u>48,321</u>	<u>38,193</u>
Creditors: amounts falling due within one year	12	<u>(28,092)</u>	<u>(14,595)</u>
Net current assets		20,229	23,598
Total assets less current liabilities		<u>29,457</u>	<u>29,052</u>
Creditors: amounts falling due after more than one year	13	(27,525)	(27,525)
Total net assets of the charity		<u>1,932</u>	<u>1,527</u>

Total net assets of the charity are funded by the funds of the charity, as follows:-

Unrestricted funds			
Unrestricted Revenue Funds	17	(599)	(3,164)
Designated funds			
Designated Fixed Asset Funds	17	2,531	4,691
Total charity funds		<u>1,932</u>	<u>1,527</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on pages 13 - 14.

The financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

P J Gibson

Trustee

Approved by the Board of Trustees on 15 August 2022

The notes attached on pages 20 to 29 form an integral part of these accounts

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

1 Accounting policies

Policies relating to the production of the accounts

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), published by the Charity Commission for England and Wales (CCEW) effective January 2016, and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going concern

The charity is dependent on the continuing support of Horsley Village Church who have provided funding of £27,525 and as a consequence the going concern basis is also dependent on the continuing support of Horsley Village Church. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Risks and future assumptions

The charity is a public benefit entity.

Policies relating to categories of income and income recognition

Nature of income

Gross income represents the value, net of discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

Policies relating to expenditure on goods and services provided to the charity

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities based on the judgement of the Trustees.

Staffing - on the basis of time spent in connection with any particular activity.

Premises related costs - on the proportion of floor area occupied by a particular activity.

Non specific support costs - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures, in line with the best judgement of the Trustees.

Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 6.

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

Policies relating to assets, liabilities and provisions and other matters

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition. Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Plant and machinery	25 % reducing balance
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Accounting for capital grants and fixed asset funds

Gifts of tangible fixed assets or grants of a capital nature, given for the purposes of acquiring specific assets to be fully utilised in the furtherance of the objects of the charity, are credited to fixed asset funds after the donated asset has been received or sums have been properly expended on the restricted purpose.

Where the terms of the gift require the charity to hold the asset on an ongoing basis for a specific purpose, then the fixed asset fund so created is categorised as a restricted fixed asset fund, and the relevant restrictions are noted in the fixed asset note 10.

Where the terms of the gift are met once the asset is acquired, so allowing the charity to use the asset on an unrestricted basis, including the right to receive the proceeds of any future sale of the asset on an unrestricted basis, then the fixed asset fund so created is categorised as a designated fixed asset fund.

When assets are acquired for the furtherance of the charity's objects, utilising the charity's own unrestricted funds, a transfer is made from unrestricted funds to a designated fixed asset fund.

Whether acquired with unrestricted or restricted funds, the asset acquired is initially shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

As the related assets are depreciated, in accordance with the depreciation policy, in order to reflect the diminution in the asset, a transfer is made from the relevant fixed asset funds to either unrestricted or restricted revenue funds, as appropriate to the terms of the original gift, if any.

The effect of this policy is that the aggregate of all fixed asset funds shall equate to the net book value of fixed assets.

In the first year that this policy was adopted, a transfer to fixed asset funds was made equivalent to the net book value of the assets.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), such departure is justified on the basis that it is in order to comply with the SORP.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the SORP.

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

Leasing and hire purchase contracts and commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the charity, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are grants awarded by funders with specific conditions attached for the use of the funds.

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Significance of financial instruments to the charity's position

The Horsley Village Church provided the company with a 10 year interest free loan of £27,525 in 2004. The company received confirmation that this loan has been rolled over for a further 10 years on the same interest free terms.

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

5 Net surplus before tax in the financial year

	2021	2020
	£	£
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	3,075	1,817

6 The contribution of volunteers

As disclosed within the Trustees' Report, the charity depends on the support of its volunteers, which is much appreciated. The arrangements with volunteers are difficult to value precisely in monetary terms and have not been recognised in the Statement of Financial Activities. The volunteers and the charity accept and agree that no contract of employment is created by these arrangements.

7 Staff costs and emoluments

Salary costs	2021	2020
	£	£
Gross salaries excluding trustees and key management personnel	12,340	9,982
Total salaries, wages and related costs	<u>12,340</u>	<u>9,982</u>
Numbers of full time employees or full time equivalents	2021	2020
The average number of total staff employed in the year was	<u>1</u>	<u>2</u>
Engaged on charitable activities	-	1
Engaged on management and administration	1	1

Neither the Trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

8 Deferred income - Unrestricted and Designated funds

	Opening deferrals	Released from prior years	Received less released in year	Deferred at year end
	£	£	£	£
Sundry items under £1,000	2,133	-	-	2,133
Greggs Foundation	1,000	-	-	1,000
Northumberland County Council - COVID support	2,968	-	10,885	13,853
Ecclesiastical Insurance Group	1,000	-	-	1,000
Total	7,101	-	10,885	17,986
			2021	2020
			£	£
These deferrals are included in creditors			17,986	7,101

The deferrals included in creditors relate to funding specified by the funders as relating to specific periods and represent those parts of unrestricted funds which relate to periods subsequent to the accounting year end and are treated as grants in advance, or, alternatively, where there are conditions which must be fulfilled prior to entitlement or use of the unrestricted funds by the charity.

9 Deferred income - Restricted funds

	Opening Deferrals	Released from prior years	Received less released in year	Deferred at year end
	£	£	£	£
Sundry items under £1000	1,050	-	-	1,050
DPD Environmental	1,000	-	-	1,000
The Barbour Foundation	1,000	-	-	1,000
The Rothley Trust	1,000	-	-	1,000
Karbon Homes	1,000	-	-	1,000
Total	5,050	-	-	5,050
			2021	2020
			£	£
These deferrals are included in creditors			5,050	5,050

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

10 Tangible fixed assets

	Land and buildings	Plant & machinery	Total
	£	£	£
Cost			
At 1 January 2021	228,566	26,637	255,203
Additions	-	6,849	6,849
At 31 December 2021	228,566	33,486	262,052
Depreciation			
At 1 January 2021	228,565	21,184	249,749
Charge for the year	-	3,075	3,075
At 31 December 2021	228,565	24,259	252,824
Net book value			
At 31 December 2021	1	9,227	9,228
At 31 December 2020	1	5,453	5,454

11 Debtors

	2021	2020
	£	£
Trade debtors	611	-
Prepayments and accrued income	947	796
	1,558	796

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals	4,156	1,538
Deferred income - Unrestricted & Designated funds	17,986	7,101
Deferred Income - Restricted funds	5,050	5,050
PAYE, NIC, VAT and other taxes	-	6
Other creditors	900	900
	28,092	14,595

13 Creditors: amounts falling due after one year

	2021	2020
	£	£
Other creditors	27,525	27,525

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

14 Unrestricted funds summary	2021	2020
	£	£
At 1 January 2021	1,527	(5,435)
Surplus for the year	402	6,962
At 31 December 2021	1,929	1,527

15 Related party transactions

In 2005 the charity acquired fixed assets from Horsley Village Church for £186,911 and was granted a 23 year lease of premises by Horsley Village Church at an annual rent of £6,000 per annum. In the light of the COVID-19 restrictions the rent was reduced on a temporary basis.

16 Particulars of how particular funds are represented by assets and liabilities

At 31 December 2021	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	6,697	2,531	-	9,228
Current assets	48,321	-	-	48,321
Current liabilities	(28,092)	-	-	(28,092)
Long term liabilities	(27,525)	-	-	(27,525)
	(599)	2,531	-	1,932
At 1 January 2021	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible fixed assets	763	4,691	-	5,454
Current assets	38,193	-	-	38,193
Current liabilities	(14,595)	-	-	(14,595)
Long term liabilities	(27,525)	-	-	(27,525)
	(3,164)	4,691	-	1,527

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

17 Change in total funds over the year as shown in Note 16 , analysed by individual funds

	Funds brought forward from 2020 £	Movement in funds in 2021 See Note 18 £	Transfers between funds in 2021 See Note 19 £	Funds carried forward to 2022 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	(3,164)	405	2,160	(599)
Designated Fixed Asset Funds	4,691	-	(2,160)	2,531
Total unrestricted and designated funds	<u>1,527</u>	<u>405</u>	<u>-</u>	<u>1,932</u>
Total charity funds	<u>1,527</u>	<u>405</u>	<u>-</u>	<u>1,932</u>

18 Analysis of movements in funds over the year as shown in Note 17

	Income 2021 £	Expenditure 2021 £	Other gains & losses 2021 £	Movement in funds 2021 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	<u>46,568</u>	<u>(46,163)</u>	<u>-</u>	<u>405</u>

19 Details of transfers between funds in the year as shown in Note 17

The transfers shown in note 17 above are:-	2021 £
To/(from) Unrestricted Revenue Funds in accordance with the accounting policy 'Accounting for capital grants and fixed asset funds'.	2,160
To/(from) Designated Fixed Asset Funds	(2,160)
Net transfers	<u><u>-</u></u>

The Hearth Centre (Horsley) Ltd

Notes to the Accounts for the year ended 31 December 2021

20 The purposes for which the funds as detailed in note 17 are held by the charity are:-

Unrestricted and designated funds:-

Unrestricted Revenue Funds	These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and, subject to charity legislation, are free from all restrictions on their use.
Designated Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Restricted funds:-

Restricted Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
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21 Ultimate controlling party

The charity is under the control of its legal members.

Every member of the charity is obliged to contribute such amount as may be required not exceeding £10 to the assets of the company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.