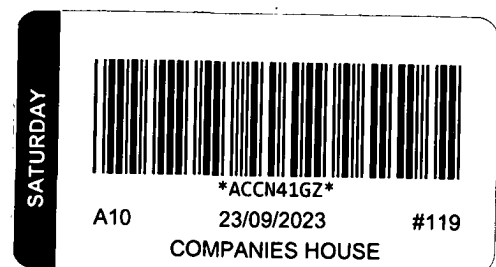


# **Rydal Hall Limited**

## **Annual Report and Consolidated Financial Statements**

**31 December 2022**

**Company registration number: 02561024  
Charity registration number: 1176419**



## **Rydal Hall Limited**

### **Contents**

Reference and Administrative Details	1
Trustees' report	2
Trustees' responsibilities in relation to the financial statements	5
Independent auditors' report	6
Statement of financial activities	9
Balance sheet	10
Charity balance sheet	11
Cash flow statement	12
Notes to the financial statements	13

**Rydal Hall Limited**  
**Reference and Administrative Details**

<b>Charity name</b>	Rydal Hall Limited
<b>Charity registration number</b>	1176419
<b>Company registration number</b>	02561024
<b>Principal office</b>	Rydal Hall AMBLESIDE LA22 9LX
<b>Registered office</b>	Church House Friargate PENRITH CA11 7XR
<b>Trustees</b>	J Rushton (Resigned 19 April 2022) Rev W E Sanders P N Yates The Venerable Dr R D Pratt R D Jaques N Lancaster (Resigned 1 August 2022) A Whigham
<b>Secretary</b>	R D Jaques
<b>Auditor</b>	Dodd & Co Audit Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

**Rydal Hall Limited**  
**Trustees' Report for the Year Ended 31 December 2022**

The Trustees, who are directors of the Company for the purposes of company law, present their report together with the financial statements of the Charity for the year ended 31 December 2022.

**Governing Document**

Rydal Hall Limited was incorporated on 21 November 1990 as a trading subsidiary of Carlisle Diocesan Board of Finance. It obtained charity registration on 21 December 2017 (number 1176419) and started to operate as a charity from 1 January 2018. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association as amended on 13 December 2013.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014.

**Appointment of Directors/Trustees**

Up to three Trustees can be appointed by the Carlisle Diocesan Board of Finance for a three year term. Up to an additional five, who shall not be employees or officers of the Carlisle Diocesan Board of Finance, can be appointed by a resolution of the Trustees. One third (or the number nearest one third) of the Trustees appointed by resolution of the Trustees, must retire at a meeting called for that purpose. A retiring Trustee may be reappointed.

Trustees will, on a regular basis, assess the need for and provide any Trustee training as may be required.

**Risk Assessment**

The trustees have examined the major strategic, business and operational risks which the charity faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

**Investment powers and restrictions**

The Trustees have the power to invest in such assets as they see fit after seeking suitable expert advice if considered necessary.

**Objectives and Activities**

The objects of the charity are:

- To promote and assist the work of the church of England for the advancement of the Christian religion in the Diocese of Carlisle and county of Cumbria
- To advance the Christian religion by (but without prejudice to the generality of the foregoing):
  - Providing a welcome and retreat house and facilities for members of the public from within and outside the county wishing to learn about and/or practice the Christian religion;
  - Developing and providing opportunities for growth in prayer, mission and spirituality within the Diocese of Carlisle and county of Cumbria;
  - Such other exclusively charitable purposes according to the law of England and Wales that the trustees in their absolute discretion decide from time to time.

In setting the objectives of the charity the trustees have complied with the Charity Commission guidance on public benefit.

## **Rydal Hall Limited**

### **Trustees' Report for the Year Ended 31 December 2022**

#### **Achievements and Performance**

Having seen a mixture of ongoing Covid 'waves' in 2021, the associated restrictions that came with them, and some periods of opening up and a return to some elements of 'normality', 2022 saw a relatively normal year from a trading perspective. However, Covid-19 (affecting some elements of our traditional customer base), Brexit (making hospitality recruitment in Cumbria very challenging) and the emergence of the cost of living crisis, all made 2022 a tough year in which to operate the charity.

The Trustees are grateful for the dedication and hard work of the staff who continued to welcome our guests and help fulfil the objects of the charity. 2022 saw the departure of Rydal Hall's General Manager and our thanks go to her for her hard work and for steering the charity through the Covid-19 crisis. A new General Manager was recruited in December 2022 and started work in March 2023, bringing experience that will help with Rydal as it works its way back towards financial sustainability.

The Trustees continue to be grateful for the contributions made from the 'Friends of Rydal Hall' group, both through their support of the Rydal Community, and through many hours of time volunteered on site with practical support.

Rydal Hall is looking particularly at how it can continue to play an active part in the Diocesan 'God for All' vision, and seek to be a place of witness and welcome to those who visit. 2023 will see some new developments in this area.

#### **Financial Review**

The group recorded a deficit for the year of £178,875. (2021 had seen a large surplus but primarily as a result of two major grants received during the year to aid post-pandemic recovery). Group income fell from £1,523,666 to £1,280,959, but taking out the large value of grants received in 2021- income rose by £334,812 – a result of being open all year in 2022 and working hard to strengthen income across the various aspects of the charity and the Rydal Hall Estate.

Charitable activities in the Hall rose to £798,247 (from £535,475) and activities in the trading subsidiary increased to £467,943 (from £397,718). Costs increased in line with the additional activity.

Closing reserves had a deficit of £176,406, with no restricted reserves.

#### **Diocesan Support**

As reported last year, the Carlisle Diocesan Board of Finance as sole shareholder of the charity, undertook a review of the value of the estate, potential future income and expenditures, and the impact of mission and ministry carried out in and through Rydal Hall. Diocesan Synod in March 2021, approved almost unanimously, to retain and support the activities at Rydal Hall as an important part of its 'God for All' vision, committing finances to restore the charity's reserves in 2021, and to provide additional capital to provide a stronger future. Work has been undertaken to prepare five-year financial plans and work is well underway with the General Manager and his Team to further develop plans to help achieve those planned results and return to an annual surplus.

#### **Fundraising standards information**

The charity does not hold any agreements with professional fundraisers or commercial participators.

#### **Reserves Policy**

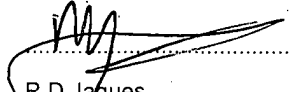
The Charity's reserves policy is to move to a position where it has free reserves equal to two month's group expenditure which, based on 2022 expenditure would be £243,306. Free reserves at 31 December 2022 were a deficit of £61,850.

#### **Small company provisions**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

**Rydal Hall Limited**  
**Trustees' Report for the Year Ended 31 December 2022**

Approved by the Board on 19 September 2023 and signed on its behalf by:



R D Jaques  
Trustee

## **Rydal Hall Limited**

### **Trustees' Responsibilities in relation to the Financial Statements**

The trustees (who are also directors of Rydal Hall Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent Auditors' Report to the Members of Rydal Hall Limited**

### **Opinion**

We have audited the financial statements of Rydal Hall Limited for the year ended 31 December 2022 which comprise Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Cash Flow Statement 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 group and charitable company's affairs at 31 December 2022 and its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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

### **Opinions 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.



## Independent Auditors' Report to the Members of Rydal Hall Limited

..... continued

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- certain disclosures of trustees' remuneration specified by law are not made; or
- 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
- we have not obtained all the information and explanations necessary for the purposes of our audit.

### **Responsibilities of the trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, 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 controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and charity's performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their:
- policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they are aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

**Independent Auditors' Report to the Members of  
Rydal Hall Limited**

..... continued

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to revenue recognition and management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context was the Companies Act, Charities Act, pension legislation, employment law, tax legislation and relevant health and safety laws.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations. In addition to the above, our procedures to respond to risks identified included the following:


- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of the charity's work.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 auditor's report.

**Use of our report**

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Faye Armstrong (Senior Statutory Auditor)  
For and on behalf of Dodd & Co Audit Limited, Statutory Auditor

FIFTEEN Rosehill  
Montgomery Way  
Rosehill Estate  
CARLISLE  
CA1 2RW

19 September 2023

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**Rydal Hall Limited**

**Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended  
31 December 2022**

		Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	Note	£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	2	8,926	2,222	11,148	588,667
Rydal Hall Trading Limited trading activities	3	467,943	-	467,943	397,718
Investments	4	3,198	-	3,198	20
Charitable activities	5	798,247	-	798,247	535,475
Other	6	423	-	423	1,786
Total income and endowments		<u>1,278,737</u>	<u>2,222</u>	<u>1,280,959</u>	<u>1,523,666</u>
<b>Expenditure on:</b>					
Charitable activities		1,457,612	2,222	1,459,834	1,074,531
Total expenditure		<u>1,457,612</u>	<u>2,222</u>	<u>1,459,834</u>	<u>1,074,531</u>
Net movements in funds		(178,875)	-	(178,875)	449,135
<b>Reconciliation of funds</b>					
Total funds brought forward		2,469	-	2,469	(446,666)
Total funds carried forward		<u>(176,406)</u>	<u>-</u>	<u>(176,406)</u>	<u>2,469</u>

All of the Charity's activities derive from continuing operations during the above periods.

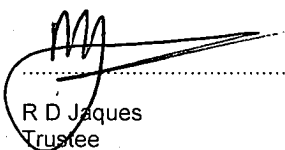
The notes on pages 13 to 24 form an integral part of these financial statements.

**Rydal Hall Limited**  
**Company registration number: 02561024**  
**Balance Sheet as at 31 December 2022**

		2022	2021
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	12	86,044	59,506
<b>Current assets</b>			
Stocks and work in progress		7,733	6,899
Debtors	14	47,041	106,697
Cash at bank and in hand		240,914	312,405
		<u>295,688</u>	<u>426,001</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(357,538)</u>	<u>(282,438)</u>
<b>Net current (liabilities)/assets</b>		<u>(61,850)</u>	<u>143,563</u>
<b>Net assets</b>		<u>24,194</u>	<u>203,069</u>
<b>The funds of the charity:</b>			
<b>Restricted funds</b>			
<b>Unrestricted funds</b>			
Called up share capital		200,600	200,600
Unrestricted income funds		<u>(176,406)</u>	<u>2,469</u>
<b>Total unrestricted funds</b>		<u>24,194</u>	<u>203,069</u>
<b>Total charity funds</b>		<u>24,194</u>	<u>203,069</u>

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

Approved by the Board on 19 September 2023 and signed on its behalf by:

  
R D Jaques  
Trustee

The notes on pages 13 to 24 form an integral part of these financial statements.

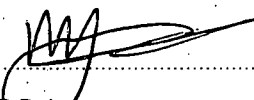
**Rydal Hall Limited**  
**Charity Balance Sheet as at 31 December 2022**

		2022	2021
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	12	86,044	59,506
Investments	13	<u>1</u>	<u>1</u>
		86,045	59,507
<b>Current assets</b>			
Stocks and work in progress		7,733	6,899
Debtors	14	47,041	106,697
Cash at bank and in hand		<u>240,914</u>	<u>312,405</u>
		295,688	426,001
<b>Creditors: amounts falling due within one year</b>	15	<u>(357,539)</u>	<u>(282,439)</u>
<b>Net current (liabilities)/assets</b>		<u>(61,851)</u>	<u>143,562</u>
<b>Net assets</b>		<u><u>24,194</u></u>	<u><u>203,069</u></u>
<b>The funds of the charity:</b>			
<b>Unrestricted funds</b>			
Called up share capital		200,600	200,600
Unrestricted income funds		<u>(176,406)</u>	<u>2,469</u>
<b>Total unrestricted funds</b>		<u>24,194</u>	<u>203,069</u>
<b>Total charity funds</b>		<u><u>24,194</u></u>	<u><u>203,069</u></u>

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

No Statement of Financial Activity is presented for the charity as permitted by Section 408 of the Companies Act 2006. The charity posted a deficit for the financial year of £213,846 (2021 - surplus of £377,026).

Approved by the Board on 19 September 2023 and signed on its behalf by:

  
 R D Jaques  
 Trustee

The notes on pages 13 to 24 form an integral part of these financial statements.

**Rydal Hall Limited**

**Cash Flow Statement for the Year Ended 31 December 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Net cash provided by (used by) operating activities</b>		
Net (expenditure)/income for the period	(178,875)	449,135
Depreciation charges	17,992	18,181
Increase in stocks	(834)	(1,638)
Decrease/(increase) in debtors	62,254	(75,174)
Increase/(decrease) in creditors	72,502	(243,979)
	<u>(26,961)</u>	<u>146,525</u>
<b>Net cash provided by (used in) investing activities</b>		
Purchase of property, plant and equipment	<u>(44,530)</u>	<u>-</u>
	<u>(44,530)</u>	<u>-</u>
<b>(Decrease)/increase in cash</b>	<u><u>(71,491)</u></u>	<u><u>146,525</u></u>

The notes on pages 13 to 24 form an integral part of these financial statements.

## **Rydal Hall Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **1 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

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

##### **Basis of preparation**

The charitable company 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 notes.

##### **Going concern**

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The group is dependent on the ongoing support of its parent charity, Carlisle Diocesan Board of Finance (CDBF), in order to continue trading. CDBF has formally confirmed such support shall continue to be provided and on that basis the charity remains a going concern.

##### **Fund accounting policy**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 21.

## **Rydal Hall Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

..... continued

#### **Income and endowments**

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

#### **Expenditure**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

#### **Taxation**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company 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 to charitable purposes.

#### **Fixed assets**

Individual fixed assets costing £1000 or more are initially recorded at cost.



## Rydal Hall Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

#### Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Leasehold land and buildings	10 years straight line basis
Plant and machinery including motor vehicles	25% straight line basis or 10 years straight line basis
Fixtures, fittings and equipment	25% straight line basis or 3 years straight line basis

#### Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

#### Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

#### Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

## Rydal Hall Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

#### Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## 2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Donations and legacies</b>				
Garden tours and donations	2,926	-	2,926	2,491
<b>Grants</b>				
Other grants	-	-	-	148,300
Government grants receivable	6,000	2,222	8,222	137,876
Grants - DBF	-	-	-	300,000
	<u>6,000</u>	<u>2,222</u>	<u>8,222</u>	<u>586,176</u>
	<u>8,926</u>	<u>2,222</u>	<u>11,148</u>	<u>588,667</u>

Of the donations and legacies income in 2021, £561,166 related to unrestricted funds and £27,501 related to restricted funds.

# Rydal Hall Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

### 3 Rydal Hall Trading Limited trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Cottages	57,848	-	57,848	53,776
Pods	16,155	-	16,155	12,224
Youth	33,727	-	33,727	31,422
Camping and car park	129,817	-	129,817	114,087
Sale of logs	414	-	414	322
Tea shop	195,358	-	195,358	149,830
Yurt	20,124	-	20,124	24,357
Herdy huts	14,500	-	14,500	11,700
	<u>467,943</u>	<u>-</u>	<u>467,943</u>	<u>397,718</u>

Of the other trading activities income in 2021, £397,718 related to unrestricted funds.

### 4 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Interest on cash deposits	3,198	-	3,198	20

Of the investments income in 2021, £20 related to unrestricted funds.

### 5 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Bar and Hall Shop takings	66,554	-	66,554	48,394
Miscellaneous receipts	53,459	-	53,459	14,809
Room hire	8,434	-	8,434	-
Hall	669,800	-	669,800	472,272
	<u>798,247</u>	<u>-</u>	<u>798,247</u>	<u>535,475</u>

Of the income from charitable activities in 2021, £535,475 related to unrestricted funds.

### 6 Other

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Water and hydro-electric receipts	423	-	423	1,786

Of the other income in 2021, £1,786 related to unrestricted funds.

# Rydal Hall Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

### 7 Expenditure

	Rydal Hall Trading	Charitable activities	Total 2022	Total 2021
	£	£	£	£
<b>Direct costs</b>				
Food purchases - adjusted for stock	52,000	128,920	180,920	108,343
Employment costs	222,288	583,969	806,257	632,419
Rent and rates	16,425	28,575	45,000	60,000
Rates	3,445	5,994	9,439	1,637
Electricity, gas and water system	34,970	60,834	95,804	46,681
Insurance	8,118	14,122	22,240	20,609
Repairs and maintenance	43,169	70,104	113,273	72,488
Upkeep of grounds	44	77	121	85
Garden Project general expenditure	2,012	3,499	5,511	8,472
Telephone and fax	2,978	5,180	8,158	6,454
Computer software and maintenance costs	6,149	10,700	16,849	12,481
Printing, postage and stationery	2,184	3,802	5,986	4,021
Hire of plant and machinery	2,242	3,901	6,143	3,543
Sundry expenses	1,847	3,468	5,315	1,693
Cleaning	7,522	31,547	39,069	24,600
Management charges payable	2,920	5,080	8,000	8,000
Motor expenses	74	429	503	554
Advertising	3,624	6,306	9,930	4,166
Camping booking commission	4,572	7,952	12,524	2,039
	<u>416,583</u>	<u>974,459</u>	<u>1,391,042</u>	<u>1,018,285</u>
<b>Support costs</b>				
Recruitment costs	3,449	5,999	9,448	-
Staff training	541	941	1,482	-
Chaplaincy offer	1,414	2,460	3,874	-
The audit of the charity's annual accounts	-	5,350	5,350	4,675
Auditors' remuneration - non audit work	1,140	1,985	3,125	2,625
Legal and professional fees	5,764	10,028	15,792	20,251
Bank charges	4,081	7,648	11,729	10,514
Depreciation of plant and machinery	-	17,992	17,992	18,181
	<u>16,389</u>	<u>52,403</u>	<u>68,792</u>	<u>56,246</u>
	<u>432,972</u>	<u>1,026,862</u>	<u>1,459,834</u>	<u>1,074,531</u>

Of the expenditure in 2021, £1,047,030 related to unrestricted funds and £27,501 restricted. Of this, £677,587 related to Rydal Hall Limited and £340,689 related to Rydal Hall Trading Limited

# Rydal Hall Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

### 8 Governance costs

	2022	2021
	£	£
Auditors remuneration	5,350	4,675
Auditors remuneration - non audit work	3,125	2,625
Management fees	8,000	8,000
Legal and professional fees	15,792	20,251
	<u>32,267</u>	<u>35,551</u>

### 9 Trustees' remuneration and expenses

No trustees received any remuneration or expenses during the year.

### 10 Net (expenditure)/income

Net (expenditure)/income is stated after charging:

	2022	2021
	£	£
Auditors' remuneration - audit services	5,350	4,675
Depreciation of tangible fixed assets	<u>17,992</u>	<u>18,181</u>

### 11 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2022 No.	2021 No.
Rydal Hall	<u>37</u>	<u>31</u>

The aggregate payroll costs of these persons were as follows:

	2022 £	2021 £
Wages and salaries	709,476	553,354
Social security	48,221	35,978
Other pension costs	48,560	43,087
	<u>806,257</u>	<u>632,419</u>

No employee received emoluments of more than £60,000 during the year.

The key management personnel comprise the Trustees. The total employee benefits of the key management personnel of the Charity were £nil (2021 - £nil).

**Rydal Hall Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2022**

..... continued

**12 Tangible fixed assets**

	Leasehold land and buildings £	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>				
As at 1 January 2022	130,469	26,354	29,349	186,172
Additions	5,000	-	39,530	44,530
As at 31 December 2022	<u>135,469</u>	<u>26,354</u>	<u>68,879</u>	<u>230,702</u>
<b>Depreciation</b>				
As at 1 January 2022	85,152	14,489	27,025	126,666
Charge for the year	8,072	3,026	6,894	17,992
As at 31 December 2022	<u>93,224</u>	<u>17,515</u>	<u>33,919</u>	<u>144,658</u>
<b>Net book value</b>				
As at 31 December 2022	<u>42,245</u>	<u>8,839</u>	<u>34,960</u>	<u>86,044</u>
As at 31 December 2021	<u>45,317</u>	<u>11,865</u>	<u>2,324</u>	<u>59,506</u>

**13 Investments in subsidiaries**

The charity holds more than 20% of the share capital of the following company:

	Country of incorporation	Principal activity	Class	%
<b>Subsidiary undertakings</b>				
Rydal Hall Trading Limited	United Kingdom	Provision of camp site facilities	Ordinary	100
		<b>Capital &amp; reserves £</b>	<b>Profit/(loss) for the period £</b>	
<b>Subsidiary undertakings</b>				
Rydal Hall Trading Limited			1	

**Rydal Hall Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2022**

..... continued

**14 Debtors**

**Group**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	-	488
Other debtors	39,849	26,792
Prepayments and accrued income	7,192	79,417
	<u>47,041</u>	<u>106,697</u>

**Charity**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	-	488
Other debtors	39,849	26,792
Prepayments and accrued income	7,192	79,417
	<u>47,041</u>	<u>106,697</u>

**15 Creditors: Amounts falling due within one year**

**Group**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	25,987	30,655
Amounts owed to group undertakings	134,271	72,956
Taxation and social security	23,118	17,274
Other creditors	88,065	123,038
Accruals and deferred income	86,097	38,515
	<u>357,538</u>	<u>282,438</u>

**Charity**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	25,987	30,655
Amounts owed to group undertakings	134,922	73,607
Taxation and social security	23,118	17,274
Other creditors	88,065	123,038
Accruals and deferred income	85,447	37,865
	<u>357,539</u>	<u>282,439</u>

# Rydal Hall Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

### 16 Share capital

	2022 £	2021 £
Allotted, called up and fully paid Ordinary £1 share capital	200,600	200,600
	<u>200,600</u>	<u>200,600</u>

### 17 Capital commitments

Expenditure contracted for but not provided in the financial statements:

	2022 £	2021 £
Construction work	24,685	-
	<u>24,685</u>	<u>-</u>

### 18 Operating lease commitments

As at 31 December 2022 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Land and Buildings	
	2022 £	2021 £
Within one year	-	60,000
	<u>-</u>	<u>60,000</u>

### 19 Pension scheme

#### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £48,560 (2021 - £43,087).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.



## Rydal Hall Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

#### 20 Related parties

##### Controlling entity

Carlisle Diocesan Board of Finance Limited (registered charity) is the ultimate controlling party of both Rydal Hall Limited, and Rydal Hall Limited's wholly owned trading subsidiary Rydal Hall Trading Limited.

During the year Rydal Hall Limited paid rent to Carlisle Diocesan Board of Finance of £45,000 (2021 - £60,000) and also paid a management fee of £8,000 (2021 - £8,000).

The balance due to Carlisle Diocesan Board of Finance at 31 December 2022 is £134,271 (2021 - £72,956).

During the year Rydal Hall Trading Limited committed to making a donation to Rydal Hall Limited of £34,971 (2021 - £72,109). The balance due to Rydal Hall Trading Limited at 31 December 2022 is £nil (2021 - £nil).

#### 21 Analysis of funds

	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
<b>General Funds</b>				
Unrestricted income fund	2,469	1,278,737	(1,457,612)	(176,406)
<b>Restricted Funds</b>				
DWP	-	2,222	(2,222)	-
	<u>2,469</u>	<u>1,280,959</u>	<u>(1,459,834)</u>	<u>(176,406)</u>

DWP - funds used to purchase accessibility office equipment for staff.

# Rydal Hall Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

### Prior period

	At 1 January 2021	Incoming resources	Resources expended	At 31 December 2021
	£	£	£	£
<b>General Funds</b>	(446,666)	1,496,165	(1,047,030)	2,469
Unrestricted income fund				
<b>Restricted Funds</b>				
Heritage grant fund	-	27,501	(27,501)	-
	<u>(446,666)</u>	<u>1,523,666</u>	<u>(1,074,531)</u>	<u>2,469</u>

### 22 Net assets by fund

	Unrestricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£
Tangible assets	86,044	86,044	59,506
Current assets	295,688	295,688	426,001
Creditors: Amounts falling due within one year	(357,538)	(357,538)	(282,438)
Ordinary share capital	(200,600)	(200,600)	(200,600)
Net assets	<u>(176,406)</u>	<u>(176,406)</u>	<u>2,469</u>

### Prior period

	Unrestricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£
Tangible assets	59,506	59,506	77,687
Current assets	426,001	426,001	202,664
Creditors: Amounts falling due within one year	(282,438)	(282,438)	(526,417)
Ordinary share capital	(200,600)	(200,600)	(200,600)
Net assets	<u>2,469</u>	<u>2,469</u>	<u>(446,666)</u>