

Charity registration number 1123473

Company registration number 06460936 (England and Wales)

**HORSELL COMMON PRESERVATION SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

HORSELL COMMON PRESERVATION SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Bate	(Resigned 8 October 2023)
	E Cuttle	(Resigned 4 October 2023)
	P Downes	
	A Halstead	
	C Hughes	
	Z Iqbal	(Resigned 30 May 2023)
	R Neale	(Resigned 21 November 2023)
	J Palk	(Resigned 7 July 2023)
	P Robinson	
	M Scott	
	C Kemp	(Appointed 21 November 2023)
	C L Brackley	(Appointed 28 May 2024)
	S Purbrick	(Appointed 24 May 2024)
Secretary	J Dalgliesh	
Charity number	1123473	
Company number	06460936	
Registered office	Heather Farm Horsell Common Woking GU21 4XY	
Auditor	Alliotts LLP Friary Court 13-21 High Street Guildford Surrey GU1 3DL	

HORSELL COMMON PRESERVATION SOCIETY

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HORSELL COMMON PRESERVATION SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

Objectives and activities

The objects of the Society are:-

1. The ownership provision and preservation of Horsell Common and other commons and open spaces for:-
 - (a) informal open air recreation and enjoyment by the public at large;
 - (b) the protection of the environment for future generations;
 - (c) the protection and management of habitats for all flora and fauna living on such commons and open spaces; and
2. Such other charitable activities or charitable undertakings as may in the opinion of the trustees promote and assist such objects.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

Organisational management

The day to day management of the Common is undertaken by Jeremy Dalton assisted by Rupert Millican. They are supported in all areas of their work by the Trustees.

Achievements and performance delivery of public benefit

This was another full year of work continuing the pro-active management of the Common

The involvement of the weekly and corporate volunteers can not be underestimated.

2000 trees were planted on Wheatsheaf Common following the flood alleviation works and the creation of the ponds.

Many of the corporate volunteers have been involved in building bird boxes with over 200 having been put up on the Common. Trustee Margo Scott is informally monitoring usage of the boxes. Swift boxes have been put up on the building at Heather Farm.

Work has continued with woodland management as part of our stewardship agreement.

Expert volunteers have been recruited to help with butterfly transects (monitoring). HCPS has been working with the Butterfly Conservation Trust. The background work was started in 2023 with the aim that meaningful data can be collected in 2024.

Rupert has also been doing reptile surveys.

Both Jeremy and Rupert have completed wildfire management training and have begun to implement the recommendations for heathland management to help prevent wildfires.

Heather is continuing to be mown to diversify the age structure which is good for both flora and fauna in and around the common.

HORSELL COMMON PRESERVATION SOCIETY

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Woodland clearing has been undertaken in the Danewell Gutter area to connect two areas of lowland heath.

Clearance work was carried out in the "Sandpit" to improve access and to clear the sandy slopes for insect populations.

With input from local resident groups work was carried out on the Rive Ditch / Wheatsheaf to continue the flood alleviation works.

Following a detailed roadside tree survey, work has been carried out on the "high risk" trees identified in the report. Work continues in 2024 on the "medium risk" trees.

Riverbank revetment work, pathway improvements and new footpaths have been completed in the Bourne Meadows at Heather Farm.

During 2023 a relationship was fostered with Surrey Choices for a partnership programme in 2024.

Financial review

Income for the Society mainly comes from grant funding and a gift aid payment from its subsidiary Heather Farm Limited, which operates as the Landlord for the site known as Heather Farm.

Reserves policy

Unrestricted Reserves

The trustees are mindful of the large contingent risks and opportunities associated with its objectives. With that in mind unrestricted reserves, which are shown in the accounts each year, are maintained for the following:-

- To reserve an amount equal to the book value of the freehold land the charity holds, to show that these monies are not readily available general funds (£1,074,278)
- to hold the investment in Heather Farm Ltd as a separate reserve to show that these monies are not readily available general funds (£1,569,786)
- to reserve sufficient capital to meet the cost of land acquisition and acquiring access rights to protect the common and secure and enhance its charitable objectives (£120,000)
- to reserve a fund to meet legal costs arising when action is required to protect our charity and its land holdings (£50,000)

The balance of the unrestricted reserves held in the general fund was £1,041,149 at the year end. Of this balance, £492,373 was held in investments to generate long term income for the charity, and a further £46,502 represented by the book value of fixed asset equipment held at the year end. This leaves our 'free' reserves at £502,274 at the year end, which are held to provide working capital to meet the cost of ongoing operations.

Restricted Reserves

a) SANG 1 (Suitable Alternative Natural Greenspace)

This was the first SANG and all payments have now been received from property developers via Woking Borough Council for the purpose of enhancing designated areas of the Common to encourage their public use. The residue of the fund is being used for future maintenance, mainly of the Peace Garden with costs of work on the common being taken from unrestricted reserves as part of ongoing common management.

b) SANG 2

This represents the balance of funds used to maintain the 57 acres at Heather Farm and Mimbridge open for public access, which are to be maintained in perpetuity through the legal agreement with Woking Borough Council (WBC).

c) Higher Tier Countryside Stewardship Grant

Countryside Stewardship gives incentives for land managers to look after their environment. Higher Tier is for land that requires more complex management tailored to the individual site. The HCPS agreement provides a sum of £17,000 pa and runs for 10 years from 2018.

Countryside Stewardship is administered by the Rural Payments Agency (RPA) on behalf of the Department for Environment, Food and Rural Affairs (Defra). Natural England provides technical advice in support of the scheme.

HORSELL COMMON PRESERVATION SOCIETY

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Investment policy

In accordance with the Articles of Association of the charity, the trustees have wide powers to hold, apply or invest the charity's monies, stocks and shares and shall in their absolute discretion if thought fit, provided that the appropriate professional advice has been sought. Trustees have the power to delegate to professional investment managers within clear investment policy guidelines. The charity's objective is to maximise return over the long term without exceeding the level of risk appropriate for a charity.

Major risks

The charity maintains a risk register which is regularly reviewed by trustees with practical precautions being implemented by officers and staff.

A key issue is the position of the charity as a substantial landowner. Insurance policies are in place offering significant Public and Employee Liability Insurance. The extent of the cover and the premiums paid are reviewed annually.

Structure, governance and management

The charity is controlled by its governing document the Articles of Association and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006.

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

J Bate	(Resigned 8 October 2023)
E Cuttle	(Resigned 4 October 2023)
P Downes	
A Halstead	
C Hughes	
Z Iqbal	(Resigned 30 May 2023)
R Neale	(Resigned 21 November 2023)
J Palk	(Resigned 7 July 2023)
P Robinson	
M Scott	
C Kemp	(Appointed 21 November 2023)
C L Brackley	(Appointed 28 May 2024)
S Purbrick	(Appointed 24 May 2024)

Recruitment and appointment of trustees

Trustees are appointed by the members of the company in accordance with its Articles of Association. New trustees are provided with extensive induction materials to familiarise them with the workings of the Society and their responsibilities as trustees.

HORSELL COMMON PRESERVATION SOCIETY

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of Horsell Common Preservation Society for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

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

Disclosure of information to auditor

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

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

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P Downes
Trustee

Date:

HORSELL COMMON PRESERVATION SOCIETY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HORSELL COMMON PRESERVATION SOCIETY

Opinion

We have audited the financial statements of Horsell Common Preservation Society (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

HORSELL COMMON PRESERVATION SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HORSELL COMMON PRESERVATION SOCIETY

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

HORSELL COMMON PRESERVATION SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HORSELL COMMON PRESERVATION SOCIETY

Audit response to risks identified

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alliotts LLP

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**Chartered Accountants
Statutory Auditor**

Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

Alliotts LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HORSELL COMMON PRESERVATION SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income and endowments from:							
Donations and legacies	2	292,607	-	292,607	152,920	-	152,920
Charitable activities	3	15,180	76,141	91,321	13,778	73,054	86,832
Other trading activities	4	44,996	-	44,996	26,477	-	26,477
Investments	5	17,275	-	17,275	10,826	-	10,826
Other income	6	-	-	-	29,250	-	29,250
Total income		370,058	76,141	446,199	233,251	73,054	306,305
Expenditure on:							
Charitable activities	7	142,598	71,637	214,235	141,559	55,026	196,585
Total expenditure		142,598	71,637	214,235	141,559	55,026	196,585
Net gains/(losses) on investments	12	54,761	-	54,761	(67,882)	-	(67,882)
Net income and movement in funds		282,221	4,504	286,725	23,810	18,028	41,838
Reconciliation of funds:							
Fund balances at 1 January 2023		3,565,192	159,313	3,724,505	3,541,382	141,285	3,682,667
Fund balances at 31 December 2023		3,847,413	163,817	4,011,230	3,565,192	159,313	3,724,505

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

HORSELL COMMON PRESERVATION SOCIETY

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		1,120,780		1,121,880
Investments	15		2,395,976		2,341,215
			<u>3,516,756</u>		<u>3,463,095</u>
Current assets					
Debtors	17	64,647		57,179	
Cash at bank and in hand		443,434		253,196	
		<u>508,081</u>		<u>310,375</u>	
Creditors: amounts falling due within one year	18	(13,607)		(48,965)	
Net current assets			<u>494,474</u>		<u>261,410</u>
Total assets less current liabilities			<u>4,011,230</u>		<u>3,724,505</u>
Net assets excluding pension liability			<u>4,011,230</u>		<u>3,724,505</u>
			<u><u>4,011,230</u></u>		<u><u>3,724,505</u></u>
The funds of the charity					
Restricted income funds	20		163,817		159,313
Unrestricted funds			3,847,413		3,565,192
			<u>4,011,230</u>		<u>3,724,505</u>

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees, as directors, acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the charitable company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on

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P Downes
Trustee

Company registration number 06460936 (England and Wales)

HORSELL COMMON PRESERVATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Horsell Common Preservation Society is a private company limited by guarantee incorporated in England and Wales. The registered office is Heather Farm, Horsell Common, Woking, GU21 4XY.

1.1 Accounting convention

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

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include to include certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HORSELL COMMON PRESERVATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs, including irrecoverable VAT, and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	Not depreciated
Plant and equipment	10% on cost
Motor vehicles	10% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HORSELL COMMON PRESERVATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Taxation

The charity is exempt from taxation on its charitable activities.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

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

2 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	292,607	152,920

HORSELL COMMON PRESERVATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Income from donations and legacies (Continued)

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts		
Subscriptions & donations	26,413	25,199
Gift aided donation from subsidiary company	262,797	124,257
Gift Aid receipts	3,397	3,464
	<u>292,607</u>	<u>152,920</u>

3 Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Performance related grants	11,222	76,141	87,363	13,091	73,054	86,145
Other income	3,958	-	3,958	687	-	687
	<u>15,180</u>	<u>76,141</u>	<u>91,321</u>	<u>13,778</u>	<u>73,054</u>	<u>86,832</u>

Performance related grants analysis

	2023 £	2022 £
RPA - Higher Countryside Stewardship	23,124	21,165
RPA - Single payments scheme	11,222	13,091
RPA - SANG project upkeep grant	53,017	51,889
	<u>87,363</u>	<u>86,145</u>

4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Payments under licence	44,996	26,477

HORSELL COMMON PRESERVATION SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Investment income	17,275	10,826

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of tangible fixed assets	-	29,250

7 Expenditure on charitable activities

	2023 £	2022 £
Direct costs		
Staff costs	30,002	28,929
Common maintenance	26,387	55,824
Tree work	27,995	10,989
Higher Countryside Stewardship	19,598	-
SANG 2	27,717	44,124
SANG 1	24,322	10,902
	<u>156,021</u>	<u>150,768</u>
Share of support and governance costs (see note 8)		
Support	48,590	37,237
Governance	9,624	8,580
	<u>214,235</u>	<u>196,585</u>
Analysis by fund		
Unrestricted funds	142,598	141,559
Restricted funds	71,637	55,026
	<u>214,235</u>	<u>196,585</u>

HORSELL COMMON PRESERVATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Support costs allocated to activities

	2023	2022
	£	£
Depreciation	9,451	7,426
Insurance, subscriptions & public relations	24,507	12,634
Office overheads	8,777	9,875
Other costs	157	204
Bookkeeping	5,698	7,098
Governance costs	9,624	8,580
	<u>58,214</u>	<u>45,817</u>
Analysed between:		
Charitable Expenditure	<u>58,214</u>	<u>45,817</u>

Governance costs includes payments to the auditors of £7,150 plus VAT (2022: £5,600 plus VAT) for audit fees.

9 Net movement in funds

	2023	2022
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	9,624	8,580
Depreciation of owned tangible fixed assets	9,451	7,426
Loss/(profit) on disposal of tangible fixed assets	-	(29,250)
	<u>19,075</u>	<u>(13,244)</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
	<u>1</u>	<u>1</u>
Employment costs	2023	2022
	£	£
Wages and salaries	49,500	47,827
Social security costs	576	651
Other pension costs	3,465	3,150
	<u>53,541</u>	<u>51,628</u>

HORSELL COMMON PRESERVATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Employees (Continued)

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

12 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	54,761	(67,882)

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Tangible fixed assets

	Freehold land £	Plant and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2023	1,074,278	43,822	30,440	1,148,540
Additions	-	5,099	3,252	8,351
At 31 December 2023	1,074,278	48,921	33,692	1,156,891
Depreciation and impairment				
At 1 January 2023	-	23,616	3,044	26,660
Depreciation charged in the year	-	6,082	3,369	9,451
At 31 December 2023	-	29,698	6,413	36,111
Carrying amount				
At 31 December 2023	1,074,278	19,223	27,279	1,120,780
At 31 December 2022	1,074,278	20,206	27,396	1,121,880

HORSELL COMMON PRESERVATION SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

15 Fixed asset investments

	Listed investments £	Other investments £	Total £
Cost or valuation			
At 1 January 2023	771,429	1,569,786	2,341,215
Valuation changes	54,761	-	54,761
	<u>826,190</u>	<u>1,569,786</u>	<u>2,395,976</u>
At 31 December 2023	826,190	1,569,786	2,395,976
Carrying amount			
At 31 December 2023	<u>826,190</u>	<u>1,569,786</u>	<u>2,395,976</u>
At 31 December 2022	<u>771,429</u>	<u>1,569,786</u>	<u>2,341,215</u>

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries	24	<u>1,569,786</u>	<u>1,569,786</u>

16 Financial instruments	2023 £	2022 £
Carrying amount of financial assets		
Instruments measured at fair value through Statement of Financial Activities	<u>826,190</u>	<u>771,429</u>

17 Debtors	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	61,240	53,643
Prepayments and accrued income	3,407	3,536
	<u>64,647</u>	<u>57,179</u>

18 Creditors: amounts falling due within one year	2023 £	2022 £
Other taxation and social security	985	865
Trade creditors	3,329	21,802
Other creditors	2,143	18,988
Accruals and deferred income	7,150	7,310
	<u>13,607</u>	<u>48,965</u>

HORSELL COMMON PRESERVATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	3,465	3,150

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
SANG 1	127,858	-	(24,322)	103,536
SANG 2	(17,715)	53,017	(27,717)	7,585
Higher Countryside Stewardship	49,170	23,124	(19,598)	52,696
	<u>159,313</u>	<u>76,141</u>	<u>(71,637)</u>	<u>163,817</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
SANG 1	138,760	-	(10,902)	127,858
SANG 2	(25,480)	51,889	(44,124)	(17,715)
Higher Countryside Stewardship	28,005	21,165	-	49,170
	<u>141,285</u>	<u>73,054</u>	<u>(55,026)</u>	<u>159,313</u>

Sang 1 and Sang 2 funds represent monies received to enhance and protect access to the Common and are for future maintenance.

Higher Tier Countryside Steward Grants have been awarded by the Rural Payments Agency (RPA) to look after the environment; the agreement lasts until 2028.

HORSELL COMMON PRESERVATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Unrestricted funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
Designated Land Reserve	1,074,278	-	-	-	1,074,278
Designated Investment Fund	1,569,786	-	-	-	1,569,786
Land Acquisition Reserve	120,000	-	-	-	120,000
Legal Contingencies Reserve	50,000	-	-	-	50,000
General funds	751,128	370,058	(142,598)	54,761	1,033,349
	<u>3,565,192</u>	<u>370,058</u>	<u>(142,598)</u>	<u>54,761</u>	<u>3,847,413</u>
	<u><u>3,565,192</u></u>	<u><u>370,058</u></u>	<u><u>(142,598)</u></u>	<u><u>54,761</u></u>	<u><u>3,847,413</u></u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
Designated Land Reserve	1,074,278	-	-	-	1,074,278
Designated Investment Fund	1,569,786	-	-	-	1,569,786
Land Acquisition Reserve	120,000	-	-	-	120,000
Legal Contingencies Reserve	50,000	-	-	-	50,000
General funds	727,318	233,251	(141,559)	(67,882)	751,128
	<u>3,541,382</u>	<u>233,251</u>	<u>(141,559)</u>	<u>(67,882)</u>	<u>3,565,192</u>
	<u><u>3,541,382</u></u>	<u><u>233,251</u></u>	<u><u>(141,559)</u></u>	<u><u>(67,882)</u></u>	<u><u>3,565,192</u></u>

Designated Land Reserve - This fund represents reserves tied up in the freehold land held by the charity and are not readily available.

Designated Investment Fund - This fund represents the investment in the subsidiary company, Heather Farm Ltd, which is a long term investment and not readily available.

Land Acquisition Reserve - The Trustees have established this fund to acquire land and access rights to protect the Common.

Legal Contingencies Reserve - This fund has been set up to meet potential legal costs arising from action required to protect the charity and its land.

HORSELL COMMON PRESERVATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:			
Tangible assets	1,120,780	-	1,120,780
Investments	2,232,159	163,817	2,395,976
Current assets/(liabilities)	494,474	-	494,474
	<u>3,847,413</u>	<u>163,817</u>	<u>4,011,230</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
At 31 December 2022:			
Tangible assets	1,121,880	-	1,121,880
Investments	2,181,902	159,313	2,341,215
Current assets/(liabilities)	261,410	-	261,410
	<u>3,565,192</u>	<u>159,313</u>	<u>3,724,505</u>

23 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

24 Subsidiaries

In 2014 a wholly owned subsidiary was formed called 'Heather Farm Limited' (company number 9331836, registered in England & Wales) to develop and manage the remaining building at Heather Farm. At 31 December 2023 the profit for the year before the gift aided donation to the charity was £147,229 (2022: £159,446) and net assets were £1,742,108 (2022: £1,767,676).